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SPECIAL COMMITTEE

# SEALING AND FISHERIES IN PACIFIC WATERS

Vol. 1

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1934

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THE SENATE OF CANADA



PROCEEDINGS

OF THE

SPECIAL COMMITTEE

ON

# SEALING AND FISHERIES IN PACIFIC WATERS

No. 1

The Honourable H. H. Horsey, Chairman

WITNESS:

Mr. W. A. Found, Deputy Minister of Fisheries, Ottawa.

OTTAWA

J. O. PATENAUDE

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1934







## ORDER OF REFERENCE

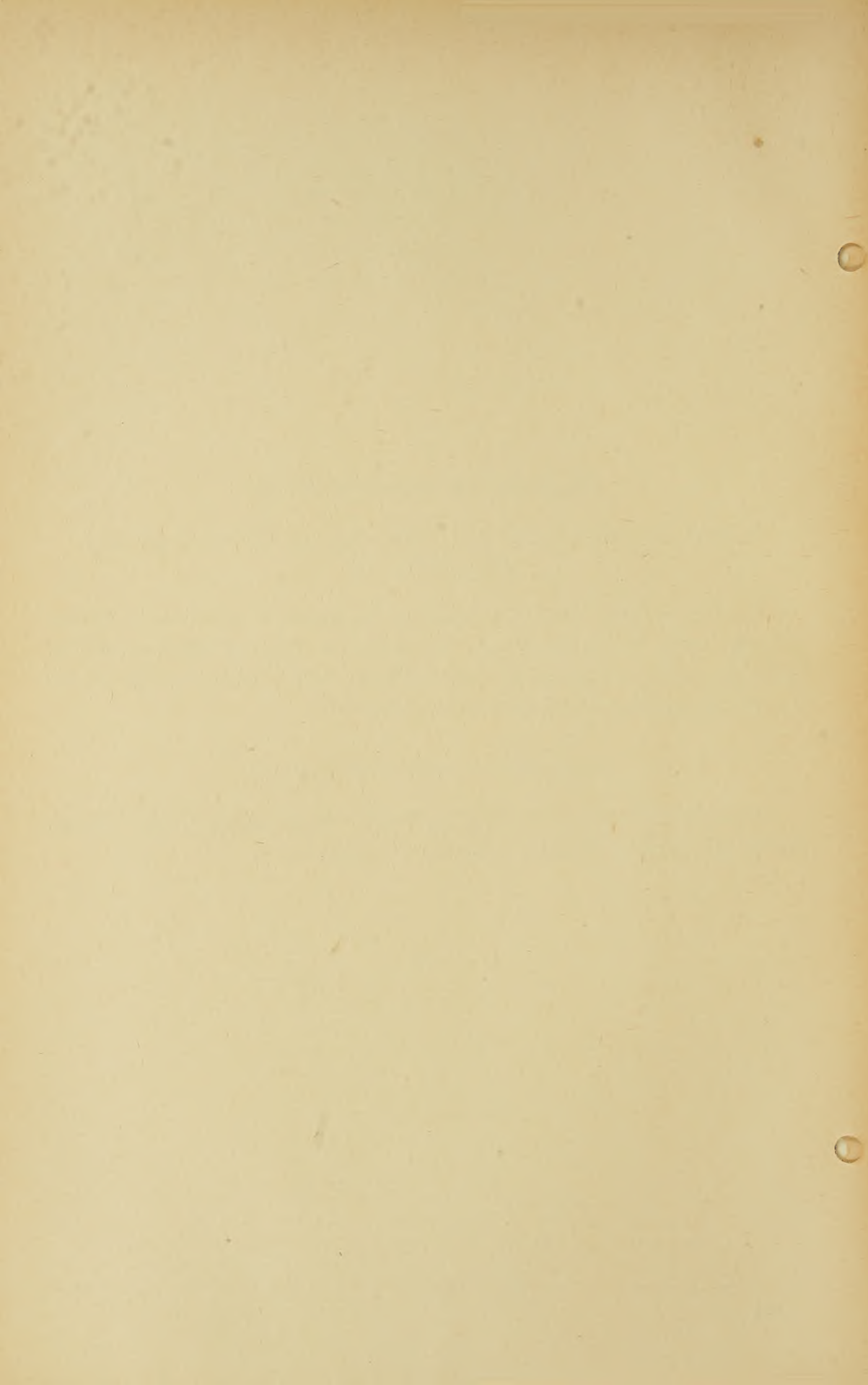
*Extract from the Minutes of the Proceedings of The Senate for the  
22nd March, 1934*

*Ordered*,—That a Special Committee of the Senate be appointed to inquire into the results of existing treaties in connection with the administration of Canadian sealing and fishery interests in Pacific waters; with power to call for persons and papers and to take evidence under oath.

## MEMBERS OF THE COMMITTEE

The Honourable Senators Bourque, Foster, Horsey, King, Little, Moraud, McCormick, McRae, Sinclair, Tanner, and Taylor.





## MINUTES OF EVIDENCE

TUESDAY, April 24, 1934.

The Special Committee on Sealing and Fishery Interests in Pacific Waters met this day at 11 a.m.

Hon. Mr. Taylor in the Chair.

The CHAIRMAN: Honourable gentlemen, I propose with your permission to read a summary of my views on the matters with which we are concerned here, and then to ask Mr. Fourn, Deputy Minister of Fisheries, to explain to us the set-up of his department.

My request for the appointment of this committee was inspired by perusal of the annual report of the Fisheries Department for 1932-33. This department unfortunately has been again orphaned, and subjected to absent treatment for which, I would say at once, the stepfather of the moment has had no more responsibility than that of any other Member of Parliament. I am frank to say, however, that in my opinion the fishery interests of Canada have suffered and are menaced through the lack of a qualified permanent head whose main concern as a minister of the crown would be the promotion of fishery interests.

The reference to this committee is confined to three great subjects of moment to British Columbia. The record in respect to these is, not summed up, but certainly influenced, by the official finding that the returns from the fisheries of British Columbia have shrunk from twenty-seven million dollars in 1928 to ten million dollars in 1932. This committee has been set up to deal with three main items affecting this appalling shrinkage. As to the first of these counts, we have endowed the United States with out sealing rights, by a treaty continuing far beyond its natural term without any word of attention on the part of our Fisheries Department. Meanwhile, vessels of the Canadian fleets continue to shepherd the known million of surplus seals accompanying and preying upon the schools of salmon on their passage through the Pacific. This passage is at potential cost per day, to the salmon fishery, of no less than ninety thousand cases, if it be presumed that on those intimate journeys to and from the breeding grounds each seal can succeed in capturing per day even one of the salmon that are the favorite food of the seal species. Our department, meanwhile, has "wondered where" those missing salmon—a million dollars' worth for any one day—have gone; though now the wonderers have from their colleagues of the Biological Branch information which I have not seen recorded in any of the publications of the department but which will be laid before you in due course. This official report naively remarks that "There has apparently been no published account of the food of the fur seal since 1899," and significantly proceeds, with shocking but convincing wealth of detail, to record that "the chief food item of these seals was thus herring with salmon, pilchards and squid constituting the other main items. It is evident that schooling species form the bulk of the food because of abundance and resulting ease of capture." Incidentally, it may be noted here that about the time this report was being written the Fisheries Department casually printed in its News Bulletin the item that pilchards—the estimated value of which is nearly a million dollars a year—had entirely disappeared through a whole season. Again, the department helplessly "wondered why".

The condition of seals preying upon the salmon run so reported by the Biological Branch should not have come as news to the department, because in



the more useful literature submerged in tedious statistics, there has been available for forty years an American report to the United States Senate in these words:—

It is shown by the report of government officials in the publications of the Tenth Census that the destruction of fish life by seals, sea lions and other animals where sole food is fish is very largely in excess of the amount of fish taken by the whole of the fisheries of the United States, and to protect these ravenous animals is to cause the destruction of enormous quantities of nutritious food which should be utilized as a means of supporting the lives of the millions of people of these United States.

In the department's latest report, smoke-shrouded in 200 pages of painfully detailed tabular stuff, only three lines are spared for the halting disclosure that as to sealing revenue for the year, there has been accepted the pittance of 2,600 dollars and 16 cents in full discharge of our claim under the treaty for fifteen per cent in number and value of skins taken on the Islands. The number of these is shown on the Canadian report at 34,421; on the American report at 49,000. This shows how close to vanishing point departmental treatment has brought Canadian interest in an industry determined by the verdict of a most imposing tribunal as part of the heritage of Canadian men of the sea. The provisions of the treaty indicate an estimated normal value of \$73,500 in Canada's share of the take of the year referred to, but the Fisheries Department presents without a word of explanation or justification that we have been paid off with the pittance of \$2,609.16.

Before the surrender of British rights made by the treaty of 1911, there had been for the 1,500 men directly interested profitable and congenial employment, supplemented by the opportunities in whaling and in the halibut fishery then coming into notice but by themselves not a dependable source of livelihood. The men thus ruthlessly ruined as to their prospects in life were in the main Canadians from the seafaring population of the Atlantic provinces who had sailed with their schooners to British Columbia because of the larger opportunities offered to them by the wealth of fisheries and sealing which they knew to be theirs by right as British subjects and heirs to the freedom of the high seas.

When I hear remarks upon the "unemployment relief" provided as a kindly gift by Canada to the provinces of the West, I am tempted to suggest that in too many cases necessity for such relief has been occasioned by carelessness in the administration of the national resources that should be the basis of employment. The fifteen hundred sealing men for instance, wantonly cut off from the industrial life of Victoria. There was consequent loss of employment to perhaps 1,000 others who would minister to the men of the sea; with yet other hundreds to wait on the thousand, and so on to a total probably easily in excess of the number of men of all occupations who have called for unemployment relief at Victoria.

As to this first subject of reference, I invite action by this committee in furtherance of the suggestion of the distinguished jurists of the Arbitration Board pronounced with their finding that the United States "has not any right of protection or property in the fur seals, when found outside the ordinary 3-mile limit." The Board advised that any regulations which might be mutually agreed upon be revised every five years. But an inert department has allowed twenty years to pass without revision.

The next subject of reference to this committee is the treaty respecting halibut, settled for the moment as of 1930, after the preliminary throes of 1923 and 1924.

The treaty now stands as for five years from May, 1930, but as it requires two years' notice for revision or termination the operation of the treaty is fully ripe for discussion at the moment, especially as to the personnel of the operating

commission, who are given extraordinary powers with only nominal control by the governments on either side.

The Department has been singularly coy in dealing with this matter of safeguarding our wealth in halibuts which it is especially interesting to note was pressed upon a commission of forty years ago, appointed at the instance of the then Senator Cornwall. This commission visited British Columbia for the purpose of settling many moot points of fishery administration. At the opening meeting in Vancouver, Mr. R. V. Winch, a pioneer dealer in fish, mentioned the halibut as a local product in demand for shipment east, and asked from the commission some adequate regulation. "This halibut fishery is just beginning," he said. "It will not do to let it run like the salmon fishery." He spoke with apprehension of a "large company in Boston that control the whole trade" in Eastern markets. The plea of Mr. Winch and others proved successful to the extent that this pioneer commission reported in these words:—

16. That the halibut fisheries on the coast of British Columbia, now assuming great importance from the successes which have attended the catches lately made and their introduction into the markets of Boston and elsewhere on the Atlantic Coast, demand the husbanding care of the government for the advancement of this new industry, which bids fair to give additional wealth to the inhabitants of British Columbia.

But the "large company in Boston" as the legend runs seem to have become recipients of the husbanding care invoked by this commission, and although the Provincial government revived the subject and put in a plea twenty years ago for protection against the alien operations then threatening the speedy extinction of the industry, this plea too proved unavailing to stir our authorities to action, and governments looked on while the industry seemed likely to perish. To-day, halibut boats go out ten to twelve hundred miles to find halibut that once was plentiful at the very front door of the Province, and the large proportion of the take is of immature fish of which the halibut banks are swept clean. There is a treaty that now has been in force for about ten years, and at an expense to date of about half a million dollars, to which Canada has contributed one half. The commission administering the treaty is dominated by the two talented Americans who represent the interests of their country, while Canada has been content with the absent treatment afforded by the comparatively feeble representation this Dominion has had. This treaty is plainly described by those administering its provisions as protection for the trade rather than for the halibut, and as I see it tends to hasten the extinction of the Canadian interest while the American interest is conserved for the monopoly coming into sight as the fisherman's luck of that country.

What has been done to the halibut resources while Canadians have tried in vain to secure protective action, is told in a few words by Dr. Thompson, the scientist of the commission, in his latest report dated in 1930 but only now being given to the public. He says:—

The results (of unrestricted fishing) must be interpreted in the light of the constant shift of the fishery along the Coast. The total catch has been maintained by an increase in the area exploited. Until 1911 the total of over 50 millions of pounds was taken within 500 or 600 miles north of Seattle, whereas in 1930 approximately the same came from over 2,100 miles of coast. The newer banks in Bering Sea have been but recently touched. On this long coast there are at least two principal stocks of native fish, one west of Cape Spencer, one south. The immature fish, migrating little, form numerous stocks, according to bank. Through this complex the fleet has progressed, lowering the abundance in each stock then going on to a new one, developing boats and machines to meet the needs of greater distances and smaller returns.



That is, they sweep the banks clean and the local fishery is extinct. Dr. Thompson says also, in the report just quoted from:—

The net result of our examination of the catch per unit set in areas 19 to 23, over the period of years from 1914 to 1928, is that the fall in abundance of the stocks is a distinct one, that it has not been decisively altered by the closed season.

This closed season, it must be remembered, is the sole contribution of the commission to the preservation of the halibut species. That it has not been effective is because it is too short, though as long as could be risked against the pressure of United States operators. Dr. Thompson wrote, as just recited, in 1930, after six years with the commission.

My suggestion to this committee is that there be insistence upon new and stronger representation in the Canadian membership of the commission and prompt action towards effective closure, so as to safeguard from threatened rapid extinction the sorry remnant of the Canadian halibut interest.

The third item of reference to this committee is the salmon treaty passed by this Parliament in 1930, but still awaiting action by the United States Senate. The reason for delay is the warring of two factions from the State of Washington, each asking amendments conflicting with the interests of the other. In the meantime, the reasons given for presenting this extraordinary treaty have in large measure ceased to exist, because of the unexplained return of the sockeye salmon to the Fraser River in numbers more and more approaching those of a generation ago. Even the official reports of the Department have ceased to indicate uneasiness as to the future of the salmon interests of British Columbia. For 1932-33, as the Deputy Minister reports, "the catch of salmon was slightly larger." The Supervisor for British Columbia notes that "there has been no lack of fish in 1932." In the report of the previous year, though Parliament was asked to pass in that year the treaty with the States as a measure of desperation, the report of the Deputy is "that 1930 was a record-making period in the salmon history of the province." Also, that although "it has been noted that the salmon catch for 1931 was the smallest in some years it should be emphasized that this was due to the deliberate curtailment of operations by the industry because of the market situation. The decrease in landings was not due to scarcity of fish."

Under the circumstances, it seems to me that the salmon treaty might well be withdrawn from Washington, because of the alteration in outlook in British Columbia since the treaty was adopted here in 1930, when the treaty was represented as a matter of extreme urgency, to start international operations necessary to be continued for sixteen years, to be effective. The "urgency" however, appears to have ceased at the convenience of the warring elements at Washington, whose zeal has been for United States operators rather than for the industry, which so far as Canada is concerned should continue in the unhampered hands of our own government.

Concentration on the destruction of natural enemies now frequenting the Pacific in extraordinary numbers is likely to prove far more beneficial than the proposed surrender of fish cultural operations to a foreign-controlled commission.

While I have indicated this polite and at the same time sufficient reason to present to Washington, there is another and stronger ground, from the standpoint of Canadian industry. The tragedy enacted at Victoria twenty-five years ago, when those dependent on the sealing and kindred marine industries found themselves suddenly and arbitrarily deprived of their livelihood, would be repeated now at New Westminster if this salmon treaty were to go into effect. This, too, apparently without the foreknowledge of the government to become responsible and as the act of a department without a permanent head or the

sense of responsibility attaching to fully organized institutions. The situation arises from the ambiguous wording of Article VII, which I will read:—

Inasmuch as the purpose of this convention is to establish for the high contracting parties, by their joint effort and expense, a fishery that is now largely non-existent, it is agreed by the high contracting parties, that they should share equally in the fishery. The commission shall, consequently, regulate the fishery with a view to allowing, as nearly as may be practicable, an equal portion of the fish that may be caught each year to be taken by the fishermen of each contracting party.

This section, I say in all seriousness, is a trap just as plain as anyone of the American institutions whose timbers dot the shore line of the approach to the Fraser River. Except as a trap it is meaningless, and it is unworthy of a place in any legislation offered in the name of any British institution. True, there is the limitation "as nearly as may be practicable," but the suggestion of equal sharing under the circumstances is absolutely ridiculous. The Americans take their fish in traps, often a hundred thousand fish at one haul; Canadians take theirs singly in gill nets. Some enthusiast for hand labour might as well propose as a law for Parliament, that "as nearly as may be practicable" the lines of type recording our debates should be set in equal portion by the hand compositors and the machine operators in the Government's printing institution. The suggestion is not practicable at all, and I make bold to say, appears in the lines of this proposed treaty only with intent to deceive. Whose intent, or to whom the obloquy attaches I am not prepared even to suggest; but I feel confident in exonerating the Government of my country.

But let the treaty be adopted with these treacherous words, and what happens? It becomes a law for a term of sixteen years. Certainly, unless the controlled fish resulting be arbitrarily divided, as indicated, the trap operators would continue to have the lion's share. Then the suggestion, now only whispered, would come from the loud speakers, that under the unfortunate circumstances Canada must for a time at least resort to traps as a substitute for the gill nets, of her four or five thousand Fraser River fishermen. Their employment gone, equipment and homes would swiftly become useless and desolate, with their communities dispersed to the overcrowded cities already the refuge of those forced out of hand industry by the advent of labour saving machinery. This Section VII alone, with intent to entrap so plainly written into it, should of itself be sufficient to cause the withdrawal of the treaty on the moment of discovery.

I have to thank you honourable gentlemen for the patience with which you have listened to me, and hope that you will be pleased to adopt with me the causes I have advocated, and so support the three-fold ambition for revision of the Sealing Treaty, reconstruction of the Halibut Commission and withdrawal from the proposal to share with a foreign country our responsibility for the administration of the salmon industry.

Those, gentlemen, are the ideas which prompted me to ask for this Committee.

I would suggest now that we get down to business by hearing from Mr. Found, the Deputy Minister of Fisheries, who, in the language of the day, might give us the set-up of the department, how the department is administered, and to whom we are to look, besides himself, for the information we receive.

Mr. Found, will you please proceed.

Mr. W. A. FOUND (Deputy Minister of Fisheries): As to the set-up of the department—

Hon. Mr. FOSTER: Before you proceed, Mr. Found, may I ask if you had looked over the Chairman's statement?

Mr. FOUND: No, I had not seen it before, Senator Foster.



As to the set-up of the department, starting with the head is the minister—at the present time an acting minister, but nevertheless a very active minister. Under him is the deputy minister. The department is then divided so as best to handle the administration of the fisheries in the different sections of the country that is committed to its charge. It has an eastern division and a western division, with an officer at the head of each division in the department. When we come to the different outside divisions, the eastern provinces producing fish of a like kind are included in one general division, what we call the Eastern Fisheries Division. The Pacific Coast is all in one province and is included in the Western Fisheries Division. Each of these fishery divisions is placed under the general supervision of a chief officer, who is called the Chief Supervisor of Fisheries for that division.

Hon. Mr. TANNER: Does he reside in the division?

Mr. FOUND: He resides in the division. In the eastern division his headquarters are in Halifax, and in the western division his headquarters are in Vancouver.

I think possibly for the purposes of this Commission, and so as not to scatter too much, if we take British Columbia alone it will be representative of what we are doing generally.

The province is then divided into three divisions, each of which is placed under the direct charge of a district supervisor of fisheries, who reports to the chief supervisor. These districts are again subdivided into smaller districts, each large enough, but, we hope, not too large, for one officer giving his whole time and attention to keep in fairly constant contact with the conditions in all parts of it. These officers are called inspectors. They have other duties in addition to the enforcement of fishery regulations, particularly in the East.

To assist these inspectors we have two types of officers in British Columbia, mainly on the water. Owing to the nature of the case out there, there being no roads, no railways and largely no permanent settlements along the Coast, locomotion has for the most part to be by water so far as the coastal areas are concerned. Hence we have a large number of patrol boats owned and operated directly by the department. During the height of the season it is found very much more economical to hire additional boats rather than own that number as the department's property and have them continuously charged against us.

I should have said that in the upper river areas and in the small areas along the coast, where someone is needed only temporarily, we engage what we call special fishery guardians.

There is the picture. In the province there is one officer who has general supervision over the administration of the whole province. All the officers act under his instructions. He has main officers in the different divisions, who are responsible for the inspectors in those districts. These officers have, to assist them, the patrol boats and the fishery guardians. The reports to the department are through the Chief Supervisor, excepting that we get from our inspectors and from our patrol boats daily reports, a copy of which is sent to the District Supervisor and to the Chief Supervisor. There is a double object in getting these reports, one being that these officers who are on the ground may not regard themselves as not being followed from headquarters, and the other being that their reports in no way misrepresent the facts, because a copy of them is sent to the officer under whom the officials are directly acting. With that organization which I submit, sir, is functioning efficiently and functioning economically, when the work with which it is charged is kept in mind, we have the situation in all parts of Canada well in hand.

To proceed from there to other points covered by the address which was read by the Chairman—

The CHAIRMAN: Before you go on to anything further, let me remind you that you have not told us anything about what I consider is the principal part of the set-up. You have a scientific division, have you not, as well as a business division?

Mr. FOUND: I had overlooked other than the administrative end. For our scientific work, instead of having what a good many countries have—a scientific division in the Department—we acted in the light of a good deal of experience of other countries as well as our own, and our scientific work has been by legislation placed in charge of a board which is called the Marine Biological Board. It started out a good many years ago as an entirely scientific board. There was not the progress made that either the department or the industry regarded as satisfactory. It is not necessary to go into much detail in this connection. The Act of 1912, which established the Board, has been amended on one or more occasions, and now I think we have what is really an ideal set-up, and one with respect to which I would be very glad to have the opinion of any competent expert from any of the departments of other countries who are administering scientific work. The Biological Board now consists of representatives of different universities in Canada who are doing biological research work. The representatives on the Board are nominated by the universities themselves, the universities being named by the minister, as I recall it, under the Act.

The CHAIRMAN: All these are honorary, are they not?

Mr. FOUND: The members of the Board itself are all honorary.

The CHAIRMAN: Have you anyone in the department at your command for daily conference?

Mr. FOUND: Yes sir. Just let me come to that. The Board consists in the first place of eminent scientists representing different universities doing research work. In the second place, it consists of representatives from the industry on each coast; and in the third place, from members of the department. So that we have, in place of a scientific division directly under the deputy minister or the minister, as the case may be, an interlocking Board which represents science, administration and industry. A better arrangement I do not think could be obtained.

The CHAIRMAN: How many salaried officials have you on that Board?

Mr. FOUND: Two representatives from the department.

The CHAIRMAN: Who are they?

Mr. FOUND: One of them is the Secretary of the Board also, that is Mr. Cowie; and the other is the Superintendent of Fish Culture, Mr. Rodd.

The CHAIRMAN: These are salaried men?

Mr. FOUND: They do not receive salaries as members of the Board, but as officials of the department. They give their services to the Board in an honorary way, and the only expenses for their services to the Board are in connection with travelling, and so on. These officials serve in an interlocking way between the department and the Board.

Now I come to the working of the Board. The Board has on each coast two stations, one of which is devoted to what might be called purely scientific problems, the studies of the fauna and flora of the ocean. For after all, these matters are basic in the production of fish life and all life in the sea. The studies of course lead right up to the fish themselves, so that there may be made available information necessary in the regulation of the fishery. Then we have also on each coast a station which is designed to do for the fisheries all at least that an experimental farm can do for agriculture. It is called the Fisheries Experimental Station. These stations devote themselves to studies of problems that enter into the better performing of the different methods of preparing fish



for market, and so on, and finding better methods. The course that is followed is to endeavour to have the industry on each coast regard these stations as places to which they can come for the solution of problems that they find arising in different branches of the industry. That is being done more and more.

The CHAIRMAN: Do you work with the Naval Department?

Mr. FOUND: Not at all.

The CHAIRMAN: Not at all?

Mr. FOUND: Well, no more than one department of the Government co-operates with another.

The CHAIRMAN: When the Naval Department sends out mine sweepers, for instance, to shepherd the seals and the fish on the way north, under whose direction are they?

Mr. FOUND: In all our work we seek to avoid any expenses that can be avoided consistent with efficiency. So that the Naval Service having vessels on the coast which can be used in patrol of our international responsibilities, as far as the seals are concerned, we enter into an arrangement with the Naval Service whereby the patrol is carried out upon lines agreed upon between the two departments, in connection with their regular work.

The CHAIRMAN: Some of your own ships are also engaged in that work?

Mr. FOUND: Yes, some of our own ships too, our fisheries protection vessels.

The CHAIRMAN: Are any representatives of the scientific department on duty either on the Naval vessels or on your own ships?

Mr. FOUND: They are not attached to these ships but whenever any of our scientists want to go on board any vessel, an arrangement is made accordingly.

The CHAIRMAN: All I had in mind was whether you get any reports of anything worth while that occurs on the trips north.

Mr. FOUND: Yes, sir, we do. We get a report straight along from the captain of each vessel.

The CHAIRMAN: To whom does he report?

Mr. FOUND: The Naval Service reports to the head of the Naval Branch, who sends the report on to us.

The CHAIRMAN: I notice that in the report of the Department of Fisheries for 1932-3 there is no reference whatever to Naval co-operation. So I was wondering whether that had ceased.

Mr. FOUND: Not at all. Mr. Chairman, if we started to make our fisheries report each year a compendium of all arrangements that had been made in the past, we would have a very voluminous report. All the departments are required to keep their reports down in size, and repetition is not permissible.

Hon. Mr. SINCLAIR: The departmental reports are censored in that regard?

Mr. FOUND: Quite so.

The CHAIRMAN: I am a humble seeker after knowledge. I referred to the departmental report in all confidence to see just what went on out on the high seas. Because of the several problems raised, for instance, the problem of the food, I expected—ignorantly, no doubt—that there might be some scientific representatives either on the Fisheries Department or Naval Department vessels. And I noticed that there was no mention whatever of co-operation with the Naval Department. Pursuing the inquiry I found in the report of the Naval Department an interesting paragraph about their participation, and I wondered whether that had not been communicated to the Fisheries Department.

Mr. FOUND: We have very close co-operation, and I cannot see what useful purpose would be served by having a scientific officer on board a patrol, such as the sealing patrol. The seals move along the coast far away from the route

of the salmon, from twenty to thirty miles out, and these vessels do not catch seals. If we want information as to the food of the seals, the place to get it is the stomachs of the animals themselves.

The CHAIRMAN: I just want to find the attitude of your department. You say it is the considered attitude that you do not want scientific representation.

Mr. FOUND: I should be very sorry indeed if the committee gained that impression. What I tried to impress upon you was that I saw no useful purpose that could be served by placing a scientist on a patrol vessel. We are having scientific examination made to ascertain, as far as possible, what the food of the seals is. And this is no new study. It is a study on which there has been written more than enough to fill a large volume.

The CHAIRMAN: You heard the notation I read?

Mr. FOUND: Yes.

The CHAIRMAN: I have the report here. Did I not correctly recite it?

Mr. FOUND: Quite so, sir; but that report dealt with just one small phase of the moving of the salmon and the moving of the seals.

Hon. Mr. BOURQUE: I quite understand Mr. Found's idea, and I think that in all fairness to him and to the committee, he having admitted a while ago that he had not read this document, he should be given an opportunity to read it and study it. I quite understand that his knowledge of the fisheries may be sufficient to enable him to give us any information we need, but at the same time, in all fairness, I think he should be given an opportunity to read this document.

The CHAIRMAN: I have not asked the committee to adopt this document. I did not think for a moment that because I had read it the committee was adopting it.

Hon. Mr. BOURQUE: At the same time there have been questions put relating to it.

The CHAIRMAN: To one phase—that report of Mr. Clemens, I think it is. It is a long document.

Hon. Mr. HORSEY: He is answering very well.

Mr. FOUND: If I may be permitted to suggest, it seems to me that if I were allowed to place before you the main facts leading up to this Pelagic Sealing Treaty in the first instance, it would cover what is contained—

The CHAIRMAN: I was just about to ask you for that.

Mr. FOUND: If that is agreeable to the committee, I think it will save time.

The CHAIRMAN: What I had in mind was this, that you should tell us the origin of it and the persons connected with the department who first dealt with it. Frankly, what I want to get at is the original responsibility of the department for this treaty; then I will know better how to form an opinion as to how it was carried on. Were you in a responsible position in the department when the treaty was made?

Mr. FOUND: Yes, sir.

The CHAIRMAN: Your connection with the department dates from when?

Mr. FOUND: 1898.

The CHAIRMAN: The treaty was made in 1911.

Mr. FOUND: Yes. I may say that I was an adviser of the plenipotentiaries who drew up the treaty.

The CHAIRMAN: Will you tell us the origin of it?

Mr. FOUND: Yes, sir, I shall be very glad to. And let me say, in starting, that it will be necessary for me to repeat some, a very few, of the interesting



explanations made by the right honourable the leader of the Senate, who dealt fairly comprehensively with the natural history of the seal. So, if I say a few things that are not new to you, I do so because I wish to amplify them a little.

Hon. Mr. TANNER: Mr. Chairman, as I understand it, you have what you call pelagic sealing.

Mr. FOUND: That will be covered.

Hon. Mr. TANNER: You also have the salmon, and the salmon treaty. You will take them up one by one.

The CHAIRMAN: Pelagic sealing, salmon, and the halibut treaty.

Mr. FOUND: We will deal now with pelagic sealing.

Hon. Mr. TANNER: Are you ready to go on with that now?

Mr. FOUND: Yes, sir, all three. But I will deal first with the pelagic sealing, because it is an interesting story, and the whole situation will be thoroughly understood when the facts are before you.

Starting with the North Pacific, there are three species of seals. They are all of the same genus, but never having mixed, they have become possessed of certain distinct characteristics that enable them to be designated as separate species. These three are, starting in order of importance, the North American seal herd, which has its breeding places on the Pribilof Islands up in the Bering Sea. The Pribilof Islands became a possession of the United States following the Treaty of Session of Alaska by Russia to the United States in 1867. The next most important herd is the Russian herd, which has its breeding place over here on the Kommandorsky or Commander Islands on the Russian side of Bering Sea. The third herd is the Japanese herd, which has its habitat on a little island near Patience Bay. It is no more than a big rock, and is not marked here, off Sakhalin Peninsula. That was originally also Russian, but that island, with the Sakhalin Peninsula, was ceded to Japan following the Russo-Japanese war.

The nomenclature of seals is peculiar and interesting. I cannot give you the origin of all of it. The mature male is called a bull. He is a large animal weighing from about 350 to 450 pounds. The mature female is called a cow. Relatively she is a small animal, weighing on the average about 70 pounds. Her young, of which she has one each year, is called a pup, and as she bears her first when she is three years old and her average life is about thirteen years, she has about ten pups. The place to which the seal resorts for breeding is for some reason called a rookery.

The seals are highly polygamous, so that one male gathers around him a large number of females. These are called harems. There are usually not less than about 35 in a harem, and may be well over 100.

The natural history of these herds is all in fact pretty much the same in the fur-seal herds everywhere, so I will deal with just one of them, which will give a fair picture of all.

The seal is highly amphibious. It is really not the seal known on our Eastern Coast as the hair seal, which is a different animal altogether. The scientific name of the fur seal when put into English is sea bear. It was possibly at one time a land animal; in any event it moves on land with comparative swiftness and ease.

When Alaska was ceded to the United States the seal herd on the Pribilof Islands was perhaps at its maximum. It was then estimated to contain as high as 4,700,000 animals. No sealing seems to have gone on for the first three years, but in 1870 the United States Government entered into an agreement with a company, formed at San Francisco and known as the Alaska Commercial Company, for the exclusive sealing rights on the Pribilof Islands.

On the islands, for the reasons I have just stated, sealing can be carried on in a very sane way. The young are born in about equal numbers so far as male and female are concerned. As there is only one male needed for several females, a large number of the males can be weeded out each year without detriment to the herd, but, on the contrary, with a great deal of benefit, for there is fighting as soon as there are too many males. This results not only in injuries to the animals concerned but to others that may come into contact with the fighting. So the sealing can be carried on in a way to take only those male seals that are most desirable from the fur standpoint; these are usually young males about three years old.

The lease was a very attractive one from every standpoint. The base rate paid by the company to the United States was \$55,000 a year; they also paid in the way of taxes something over \$2.60 per seal, and something for seal oil. I notice that in one of the United States hearings on the subject a number of years ago, the profit the lessees made out of the sealing was over \$18,700,000. The United States received in revenue over \$5,264,000, which was pretty good when you consider that the United States paid \$7,200,000 for Alaska. For reasons which I shall explain later, towards the latter end of the lease the conditions were not nearly so favourable for the lessees. The lease was for twenty years, and so expired in 1891.

It was not very long after sealing was engaged in by the company until it began to attract world-wide attention. The lessees were restricted from taking more than 100,000 young male seals each year. The skins were all marketed in a public way in London, England. Certain firms there had developed secret methods of dressing and dyeing fur seal skins that made them most desirable furs for garments of different kinds. Those firms safeguarded their secrets very carefully, and efforts that were made elsewhere at different times were not successful in competing with the methods available in London. So the practice was to send all skins to London, where they were sold on the open auction market, and public attention soon began to be drawn to the trade.

So far as the Pacific Coast of Canada and the United States is concerned, you will readily appreciate what was happening.

I should have said in speaking of the natural history of the seal something to clarify that, and I will do so now. In the fall of the year, say, at the approach of winter all the younger seals leave the islands and start on a southward journey, never touching land again until they come back to the islands in the following May. The old bulls remain for a much longer time around the islands and do not go nearly as far south as does the remainder of the herd.

**Hon. Mr. TANNER:** How far south do they go, Mr. Found?

**Mr. FOUND:** In their journey they keep heading steadily southward until about January, when they are opposite Southern California; then they turn around again, all the time keeping off the coast, and make their way slowly back to the Pribilof Islands.

**Hon. Mr. HORSEY:** Do they keep pretty well together?

**Mr. FOUND:** They keep relatively pretty well together. They are a large herd and scattered over a considerable section of the ocean, but they all keep fairly well together.

In May the bulls take up their places on the rookeries, those coming first taking the places that they regard as being the most likely from the standpoint of gathering females around them. Those that come later, if they feel themselves strong enough, put up a fight to get the most desirable places, and it is not an uncommon thing for a bull to hold his place for a considerable time and then have to retire in favour of some fresh one coming along, who possibly was not stronger than he anyway, but had not gone through the same number of battles.



In process of time they have all taken their positions in the rookeries and the females come along about three weeks later, when they gather around the males, or are gathered there by the males. They are there only a few days until they have their pups, and they are required by the males to stay in the harems for a few days later until they are served by the bulls, and then the old bulls let them go out of the harems with their pups. The pups are taken to the section away from the harems—where there is a lot of tramping and fighting—and many pups are killed. The pups get together like a lot of kittens, into what are called pods. Then the female starts out to feed and comes back at more or less regular intervals to suckle her pup until it gets large enough to be able to go down to the sea and learn to swim and find food. In the fall of the year they are all ready to strike out and look after themselves and start on the southern journey.

Hon. Mr. SINCLAIR: Mr. Found, when the males fight do they kill each other or just drive their opponents off?

Mr. FOUND: A fight seldom results in fatality, but it does result in very lacerated bulls sometimes. They usually fight until the bull feels he is beaten, and then he will retire and give place to another one.

Hon. Mr. TANNER: He makes a masterly retreat?

Mr. FOUND: That is right. To come back to where I was, the lessees were building up a very profitable business. It took them some time to do that. They had to advertise their wares, and so on. People on the Pacific coast, both in Canada and the United States, saw the seals passing up and down and the question naturally occurred to them, "Why aren't we doing this business?" There were no rookeries in Canada, so the residents there and those along the United States coast could not participate in what was going on. And so pelagic sealing began.

Hon. Mr. TANNER: What is that word derived from?

Mr. FOUND: Pelagos, the Greek word for "open sea." Pelagic sealing means taking seals in the deep sea. The business started in the eighties, but it did not become important until about 1885 or 1886. At that time it began to assume considerable importance and the vessels engaged in the sealing became numerous. Both from Canada and the United States these vessels used to come down in January when the seal herd was starting north, and follow them right up till they got to the islands. Originally they went to within three miles of the islands, killing them as they could. In the very nature of things, pelagic sealing was a very wasteful method of killing, a very undesirable method. At least 75 per cent of the seals taken were necessarily females. Heavy with young, they just tipped over on their backs when they were sleeping in the sea, so they were the most easily captured. And when a female seal was killed you not only killed that seal but the young one which, if its mother had been left alone, would have been born on the islands a few weeks or months later.

Of course, pelagic sealing when it began to assume any importance was resented most strenuously by the lessees, who were paying a big price for their privileges on the islands. Also the United States Government very strongly resented it and made some sweeping claims. It was argued that the seals were in themselves really United States animals, as they had their birthplace and remained during their younger life on property of the United States and moved from there merely for a portion of the year. But their main argument, the one on which they acted, was that under the Treaty of Session from Russia of Alaska to the United States, the Behring Sea was included, and that the portion of the Behring Sea east of the 180th meridian, which passed midway down through the Behring Sea, was *mare clausum*—closed sea—and United States territory, and therefore any vessel in there was in United States territorial waters. And so they started to seize Canadian vessels, an action which,

as can readily be realized, was immediately resented by the British Government—Canada itself not having then assumed the status of a nation, made her representations to Great Britain. But the United States strongly held o its contentions. It was a serious matter, and there were negotiations which it was quite obvious would end in an arbitration of the claims. By that time the pelagic sealing had become a very important industry, having attracted possibly upwards of sixty vessels. By 1891 the negotiations had proceeded to a point where it appeared that a treaty would soon be signed, if no untoward incidents occurred. With a view to preventing such incidents, Great Britain entered into an agreement with the United States for the season of 1891, which is commonly known as the *modus vivendi* by those who are interested in sealing.

Hon. Mr. TANNER: Was that between the British and United States Governments?

Mr. FOUND: Yes. Let me say at this point that up to that time and for many years afterwards these were the only countries interested in pelagic sealing. It should be kept in mind all the time that the United States itself was engaged in pelagic sealing to some extent up to this point. This *modus vivendi* was entered into some time after the 1st of January, 1891, later in the year than the vessels had sailed. It prevented all sealing in the Behring Sea during the year 1891, and brought about a very undesirable situation, since the Canadian sealing vessels had already started to sea on their regular cruises that would end in the Behring Sea in July, and there had been no previous warning of this development. It resulted in claims. Great Britain acknowledged those claims and paid damages to the sealers who were detrimentally affected because the notice was received too late. The negotiations took longer than had been expected, and the *modus vivendi* was renewed in 1892 and again in 1893.

I mention that for this purpose. When the Canadian vessels started to enter the Behring Sea in 1891 they were met by United States and British cruisers which warned them that they would not be permitted to go into the Behring Sea. Many of them were not equipped to go anywhere else, and so they went back home. They were the ones that were compensated by the British Government. But the captains of a good many others said, "Well, we know that there are seal herds on the Asiatic coast, so we will try our luck over there." So they swung over to the Asiatic coast, where they found seals in plenty, and trouble in plenty too—for they started to hunt around the Commander Islands and the Russian Government treated them just as peremptorily as they had been treated about the Pribilof Islands. Some of them found themselves between the jaws of the Russian laws.

However, that opened up the question of the possibilities of pelagic sealing on the Asiatic side. So that for the next two years, when the *modus vivendi* was in operation, and thereafter, the practice was that vessels would start out as usual, follow the seals up the coast until they came to the entrance of the Behring Sea, and then sweep across to the other side and finish the season on the Asiatic side. And that continued as a matter of business after the negotiations which resulted in the Paris Award were completed. However, in 1893 a treaty was entered into between Great Britain and the United States to submit the whole question to arbitration. That question comprehended mainly the right of the United States to control over Behring Sea. And there was also an agreement that there should be submitted to arbitration as well the matter of the need of protection of the fur seal, the necessity for which was obvious, as the seals were being attacked by land and sea and were diminishing in numbers at an astonishing rate. These two questions were submitted to arbitration, which took place at Paris and the outcome is generally known as the Paris Award. That Award determined that the United States was wrong, that it had no more rights in the Behring Sea than in any other part of the ocean, that its actual

territorial jurisdiction extended over the three-mile limit around the seal islands, and no further. The United States was called upon to pay for the seizures it made \$463,454.27, interest included. As the amount was not paid for some years, there was considerable interest added to that sum.

The award, however, did recognize that in the permanent interests of everybody concerned, regulations for the protection of the seals should be drawn up. These are the regulations to which the Chairman referred in his opening remarks, in the paper that he read. The regulations had these main provisions: first, that there should be a close season for all sealing, covering the months of May, June and July, which was really the time leading up to breeding and the breeding time; that there should be a sixty mile zone around the Pribilof Islands, in which no sealing would be permitted, because the mother seals made journeys in feeding that were known to be at least sixty miles away from the islands before they went back to their pups; that the killing in Bering Sea should be restricted to the use of spears, and in the broad Pacific Ocean to the use of shot-guns. Rifles were not permitted. There were other provisions also, for instance, the flag, which those who were opposed to pelagic sealing characterized as the flag of piracy and pestilence. It was a yellow and black flag. However, the other arrangement was that there should be a revision of these regulations every five years.

The Chairman noted that there was no revision. The reason is very obvious, gentlemen: the United States wanted a revision upward, to such an extent as would stop pelagic sealing; Canada wanted it downward, which would take away restrictions making it very difficult for her sealers to carry on. There was also another very significant fact. While these two countries had pelagic sealing to themselves up to this time, in the late nineties Japan, quite probably prompted by the operations of Canadian pelagic sealers along the Asiatic Coast, began to wonder why she was not in the business, and went into it; and the Japanese Government encouraged it by a bounty on vessels built to be used in that trade; and Japan, not being a party to the Paris Award, her sealers were not subject to the award regulations, so they could seal throughout the year and in Bering sea, right up to within three miles of the islands, and use any method they might desire.

Hon. Mr. TANNER: In what year were these regulations agreed to?

Mr. FOUND: In 1894 they became effective. That question suggests this interesting bit of information: that those who were opposed to pelagic sealing felt that the regulations were so tremendously restrictive that they spelled the end of pelagic sealing. But the very year following the regulations there was the biggest pelagic catch in the history of the industry, when 94,474 skins were landed, although it is true that over half were taken on the Asiatic side.

Well, there is the picture. We had a pelagic sealing industry which was vindicated by the highest tribunal—that of arbitration. We had a new incident coming in—the Japanese sealing fleet, which was not subject to the Paris Award regulations. We had a herd declining so rapidly that the industry began to be given up by those engaging in it. I should say that in 1897 the United States finally adopted a law preventing its nationals engaging in pelagic sealing. So it was only Canada, until Japan came in. The decline of the seals was going on rapidly, and as a consequence the business becoming less and less remunerative, so that fewer Canadian vessels were going out each year—why? Because it did not pay them—and in 1911 there were only four vessels out, and the total catch—

Hon. Mr. HORSEY: No Americans?

Mr. FOUND: No Americans since 1897. I told you that the total catch of the Canadian pelagic sealers in 1897 was over 94,000 skins; in 1911 it was 2,673 skins.



Hon. Mr. TANNER: What were the contributing causes?

Mr. FOUND: The catching of seals on land and at sea had resulted in fewer and fewer seals reproducing, and the herd was diminishing until it had reached the point of practically commercial exhaustion, and was very close to the point of actual exhaustion.

The CHAIRMAN: Do you remember Mr. Macoun's report on the condition of the herd on the Pribilof Islands?

Mr. FOUND: Very well.

The CHAIRMAN: What was it?

Mr. FOUND: You are referring to 1896?

The CHAIRMAN: What was the effect of his report?

Mr. FOUND: The substance of the report? Mr. Macoun was a member of a committee of naturalists—I have their report here—and the substance of their report had to deal with facts. It covered the natural life of the seals. The main causes of death on the islands—

The CHAIRMAN: What I have in mind is this paragraph from the annual report of the department, saying that he had been sent out there.

Mr. FOUND: Oh, you are thinking of 1912-13, I think.

The CHAIRMAN: Immediately before the treaty with the United States was signed.

Mr. FOUND: No, immediately afterwards.

The CHAIRMAN: Immediately before. Speaking subject to correction, I think it was immediately before the 1911 treaty was signed. I saw a reference to it in your bluebook the other day. It was to the effect that Mr. Macoun having been sent on this mission, reported that the decline was not as represented. Do you remember that?

Mr. FOUND: No, sir, I don't remember that. I remember this: that immediately following the treaty—the year following the treaty—we sent two men out. One of them was Mr. Macoun, who had been in contact with the natural history of the seals. He was a very competent man, and was also one of the advisers, with myself, to the plenipotentiaries when the treaty of 1911 was being drawn up. In all the reports there can be no question about this, the facts speak for themselves, that the Canadian fleet had gone down to four vessels—the quantity of the catch is there—and the herd on the islands, which in 1870 was estimated as high as 4,700,000 was estimated at from 125,000 to 136,000. That was the position we were in, so the situation that was facing Great Britain and Canada and the United States at that time was that if something was not done there was going to be no industry for anybody. They were certainly on the very verge of that at the time. This was the condition that faced the two countries when, after years of negotiations—these negotiations had been going on ever since the Paris award—the treaty was arranged on February 7, 1911. This, Mr. Chairman, is the treaty you quoted in the Senate, but it is not the Pelagic Sealing Treaty as we know it. I find it rather difficult to see why there should be any room for error.

The CHAIRMAN: I think I can tell you what you are speaking of. There are two treaties on succeeding pages of the book. One is signed by Russia and Japan and the other is not.

Mr. FOUND: Quite so. This is the one from which you quoted. The reason I take exception to the reference to this treaty is that it was made between Great Britain and the United States alone,—

The CHAIRMAN: The first treaty mentioned 20 per cent, whereas the succeeding treaty with Russia said 15 per cent.

Mr. FOUND: Quite so. That is an important difference. Article 6 of that treaty specifically specifies that:

The foregoing articles shall go into effect as soon as, but not before, an international agreement is concluded and ratified by the governments of Great Britain, the United States, Japan and Russia, by which each of those powers shall undertake, by such stipulations as may be mutually acceptable, to prohibit for a period of not less than fifteen years, its own subjects or citizens and all persons subject to its laws and treaties, from engaging in pelagic sealing.

That treaty contemplated another treaty.

Hon. Mr. TANNER: You gentlemen are talking about treaties and know all about them; I do not. I should like Mr. Found to put on the record what these treaties are and when they were made.

Mr. FOUND: The treaty from which the Chairman quoted in the Senate and the one to which I have now referred is a treaty between Great Britain and the United States, dated February 7, 1911—

Hon. Mr. TANNER: What about the other treaty which the Chairman is talking about?

Mr. FOUND: This treaty provided that it should not become effective unless another treaty was entered into. Negotiations for a treaty along the lines contemplated by article 6 of this treaty resulted, not in a treaty of the kind that was contemplated there exactly, but in the treaty of July 7, 1911, which is the one commonly spoken of as the Pelagic Sealing Treaty. Section 15 provides that it replaces the other treaty where it is contrary to it in any of its provisions. This treaty either embraces all that is in the other treaty, or is contrary to it, so that—

The CHAIRMAN: It was from the second treaty that I quoted to-day.

Mr. FOUND: Article 10 of this treaty provides that the United States shall hand over at the end of each season at the islands 15 per cent of the sealskins taken that season to an authorized representative of the Canadian Government, and a like number to the authorized representative of the Japanese Government. Other provisions of the treaty are that Russia shall do likewise, and that Japan shall do likewise, excepting that Japan is to give 10 per cent to Canada, 10 per cent to Russia, and 10 per cent to the United States.

Hon. Mr. TANNER: Are the seals killed on the islands, or at the islands?

Mr. FOUND: On the islands.

Hon. Mr. TANNER: Is that part of the treaty?

Mr. FOUND: That is under the treaty. It provides that there shall be no longer any pelagic sealing, that killing shall be restricted to killing on the islands alone.

Hon. Mr. TANNER: And the United States does all the killing?

Mr. FOUND: On the United States islands the United States does all the killing.

Hon. Mr. TANNER: And takes most of the plunder, I suppose?

Mr. FOUND: The United States gives 15 per cent to us and 15 per cent to Japan, and has 70 per cent for itself.

Hon. Mr. HORSEY: Is that checked up by our men on the islands?

Mr. FOUND: The United States owns the islands. The same applies to Russia and to Japan. Those are the three groups.

Hon. Mr. KING: The Japanese and Russian Governments own islands.

Mr. FOUND: Yes. I explained that before you came in, Senator.

Hon. Mr. KING: They take a certain number and divide a portion of them?

Mr. FOUND: Yes. Russia gives us 15 per cent and Japan gives us 15 per cent. Japan gives 10 per cent to Russia, 10 per cent to Canada and 10 per cent to the United States. So each rookery-owning power, being responsible for its own islands and bearing all expenses in connection with them, gives up thirty per cent of the seals taken.

Article 11 of this treaty that we are now discussing provides for an advance payment of \$200,000 to Great Britain and to Japan by the United States. The obvious object of this was to enable these countries to compensate their nationals who would be put out of business by the treaty instead of having to draw on their own exchequers.

The article further provides that in any year of commercial sealing, even if Japan's and Canada's respective shares on the 15 per cent basis shall be less than 1,000 skins, Canada and Japan shall each receive 1,000 skins. This was very valuable to us in 1912 and 1917, when our share would have been very much less than 1,000 skins.

Hon. Mr. BOURQUE: What is your method of checking up the number of seals killed on the islands?

Mr. FOUND: There is this method, which in itself is absolutely satisfactory. The skins have to be marketed, and they all come through one channel. The treaty closed the doors to other methods of selling.

Hon. Mr. TANNER: What is that one channel?

Mr. FOUND: Through the government of each country.

Hon. Mr. TANNER: Both governments?

Mr. FOUND: The government of each country that handles the skins. That is, we are entitled to 15 per cent and Japan gets 15 per cent of the skins taken on the Pribilof Islands, the United States retaining 70 per cent. Each of these governments has full control over its own skins, and markets them.

Hon. Mr. TANNER: I know, Mr. Found. Who counts the skins when delivered by the people who kill the seals?

Mr. FOUND: I will come to that later on and explain it in a way to show that it is entirely satisfactory. But the reports themselves are so complete, and these again are checked up from every angle, that in the twenty-odd years that the treaty has been in operation there has been only one difficulty so far to the extent of one skin in the handling of many tens of thousands of skins in that time. Under the circumstances it is not surprising that there should be a mistake somewhere. That was the only occasion.

The CHAIRMAN: I see in the table you have given to us, Mr. Found, that 20,000 skins are unaccounted for.

Mr. FOUND: That means those skins have not yet been sold. They are not unaccounted for in the sense that we do not know where they are.

Hon. Mr. HORSEY: That is the difference between the two reports.

Mr. FOUND: I gave you a large statement in which are shown a certain number of sealskins that have not yet been accounted for. I mean, not accounted for in dollars and cents. They have not yet been sold, and consequently we have not got payment for them.

The CHAIRMAN: The statement does not show what we are most interested in, the amount of money to which we are entitled year by year during the whole period. Everything else is shown in particular detail.

Hon. Mr. TANNER: What I have in my mind, Mr. Found, is this. Are they checked at the islands?

Mr. FOUND: Absolutely.

Hon. Mr. TANNER: By whom?

Mr. FOUND: By the governments concerned.



Hon Mr. TANNER: By both governments?

Mr. FOUND: Well, we are always free to send people there. One year we had two representatives there. But for reasons which are readily understandable, it was considered that our check was so absolute that the expense of maintaining a man on the islands was not justified.

Hon. Mr. TANNER: So now our Government is not represented?

Mr. FOUND: Not year by year. We can be at any time we want to be.

Hon. Mr. TANNER: I mean, it is correct to say that the general practice is not to check?

Mr. FOUND: Not to check on the islands.

Hon. Mr. TANNER: And where do the skins go to?

Mr. FOUND: They go, as I shall show a little later, to different places. They are now going to St. Louis and to London—that is, our skins have been sent to London this year.

Hon. Mr. TANNER: Do you mean to say that they are shipped direct from the islands to London?

Mr. FOUND: They are shipped direct from the islands to Seattle, on the United States Government boat. They are landed at Seattle.

Hon. Mr. TANNER: In whose possession are they at Seattle?

Mr. FOUND: Those that belong to us are handed over to us there.

The CHAIRMAN: How often have they been handed over, Mr. Found?

Mr. FOUND: Well now, Mr. Chairman, if you let me explain this in an orderly way—

The CHAIRMAN: Excuse me, Mr. Found, I think we are taking up too much time on historical matters and not paying enough attention to current matters.

Hon. Mr. TANNER: Mr. Chairman, you must remember that you are more familiar than the rest of us are with the situation.

Hon. Mr. LITTLE: Mr. Chairman, I suggest that the witness be allowed to proceed with his explanation, and then we can ask questions.

The CHAIRMAN: Will you permit me to finish my question? According to Article X of the Treaty:—

The United States agrees that of the total number of sealskins taken annually under the authority of the United States upon the Pribilof Islands or any other islands or shores of the waters mentioned in Article I subject to the jurisdiction of the United States to which any seal herds hereafter resort, there shall be delivered at the Pribilof Islands at the end of each season fifteen per cent (15 per cent) gross in number and value thereof to an authorized agent of the Canadian Government . . . .

Has that ever been done?

Mr. FOUND: Well, Mr. Chairman, if you will permit me to come up to it, I am approaching it.

The CHAIRMAN: Mr. Found, I think this Committee and the Chairman of the Committee have some rights.

Mr. FOUND: Well, sir, just answering your question, I will say that has never been done.

Hon. Mr. SINCLAIR: Mr. Chairman, I would like to hear the continued story that Mr. Found wants to tell us.

The CHAIRMAN: If you will excuse me, I do not want to pursue that.

Hon. Mr. SINCLAIR: I would like to hear the story from Mr. Found. He was coming up to the Treaty, and you interjected a question.

The CHAIRMAN: He has answered the question.

Hon. Mr. SINCLAIR: But we are away ahead of the story now. I would like to suggest that we hear from Mr. Found the remainder of the story about the Treaty.

The CHAIRMAN: Am I not entitled to ask a question?

Hon. Mr. SINCLAIR: Certainly. But other members of the Committee who are not familiar with the situation would like to get a fairly complete picture.

The CHAIRMAN: I am strongly of the opinion that this Treaty has not been observed and that because of non-observance Canada has been a very serious sufferer. We can only get at that by going into detail about it.

Hon. Mr. LITTLE: But, Mr. Chairman, why not let the representative of the department lay a foundation which those of us who are not familiar with the situation can grasp? If there are many interruptions—

The CHAIRMAN: I have not been making many interruptions, have I?

Hon. Mr. LITTLE: No, and I do not think any of us should. I think the witness should make his statement and then we could grasp the situation more easily and ask questions.

The CHAIRMAN: Go on, Mr. Found.

Mr. FOUND: I am now just about up to the point about which the discussion has taken place. I prepared my notes keeping in mind what I thought the Committee would want to know, in the light of the discussion that had taken place in the Senate regarding the whole matter, and with the object of trying to put the real facts of the matter clearly before the committee. For there are none to hide.

There seems to be an impression that the Treaty itself had taken from Great Britain an industry that was worth something over three-quarters of a million dollars annually to it. The answer to that view is that at the time the Treaty was entered into the Canadian pelagic sealing catch was, as I have already said, 2,673 skins. It was disappearing from the map. That was the value of the industry, so far as this particular herd of fur seals is concerned. And let me remark in passing that the value of that industry to Great Britain can hardly be placed on the difference between the value of the raw skins whatever that might be, and the value of those skins made up into garments. Great Britain, as a matter of fact, is not the country which uses the bulk of the garments made from fur sealskins.

The Treaty became effective in 1912. It clearly contemplated that the skins would continue to be marketed in London. All the skins from all countries that had any sealing industry, practically speaking, were being marketed in London, for the reason that I explained before, namely that methods had been secretly developed over there which enabled them to turn out an excellent product. Article XI of the Treaty clearly provides that in the repayment of these advances that were made by the United States to the two governments, it would be done by them retaining a portion of the skins that Canada or Japan would be entitled to under the Treaty, until those advances were repaid. If there was any dispute in the price, it would be fixed according to the market price in London. So it was quite clearly the intention of the negotiators that there should be no interference with the market through which these skins would find an outlet.

As I say, the Treaty became effective in 1912. The United States enabling legislation, which was adopted on the 17th of August, 1912, provided a closed season for all commercial seal killing on the Pribilof Islands for five years. The Russian Government immediately followed suit, so far as the Russian islands were concerned, so that after the 17th of August, 1912, neither Canada nor Japan shared in the skins taken on either the Pribilof Islands or the Commander Islands. That situation continued for five years, as the Treaty provided that

during years that killing would be restricted to that needed to supply the food and other requirements of the natives of the islands, we would not share in the skins so taken but would receive a further advance payment of \$10,000, which would have to be paid back to the United States, however, with 4 per cent interest when commercial killing was resumed. The number of seals killed in 1912 on the Pribilof Islands, before the 17th of August, when the close season became effective, was 4,555. These, as in previous years, were sent to London and marketed there, and Canada's credit was for 1,000 skins, though under the fifteen per cent arrangement, she would have been entitled to only 600 odd.

In 1913 there were only a few thousand seals killed for the needs of the people on the islands, and the United States arranged with Funston Brothers, a large wholesale fur house in St. Louis, to market their skins. They made, apparently, a very satisfactory job. In 1914 there is no record of any skins being sold, though a few were taken. In 1915 the United States Government entered into an agreement with the Funston Fur Company, which later became the Fouke Fur Company, by which they agreed that the Funston Fur Company would market all the sealskins and other furs taken on the Pribilof Islands under the authority of the United States, and in that way owned by the United States. That, Mr. Chairman, was what diverted the seal trade from London; that was the start of it—business itself, ordinary business methods of keeping in view profit and loss, resulted in the rest, as I shall shortly show.

Hon. Mr. TANNER: Did our share go there?

Mr. FOUND: We didn't have any share when there was a close season; they were all United States skins, so we didn't come to share in the skins until the next season was over, on the 17th of August, 1917, which was practically the end of the season, and the skins were stagy.

Hon. Mr. HORSEY: Was it closed to the United States as well as to Britain?

Mr. FOUND: It was closed by the United States to all commercial sealing; but Article XII provided that killing should go on for the food and clothing of the natives of the islands.

Hon. Mr. HORSEY: And the Government processed these?

Mr. FOUND: The Government entered into an agreement with the Funston Fur Company to process and sell these skins. The result of that agreement was that St. Louis soon became a very important fur centre. I should say that one condition of that agreement with the United States Government was that the Funston Fur Company should establish at St. Louis the Rice system—there are two big companies in London that dye and dress sealskins, the Rice Company and the Martin Company—the Funston Fur Company were to establish the Rice system or some system equally good. I can only give my own understanding of what followed that. It is that the Funston Brothers went to London, or sent someone to London to endeavour to arrange with the Rice Company to go into business with them at St. Louis. They were not successful, but what would be expected under the circumstances happened: they arranged for one or more of the experts, who had a close knowledge of what the methods adopted by the Rice Company were, to enter into employment with them; and they soon established at St. Louis methods of dressing and dyeing which were at least highly acceptable, and which the United States claimed were better than anything else. I would express no opinion as to that. Certainly those who know the British product would not agree that it was as good as the British product, but it was a highly acceptable article.

Possibly a very strong reason for the failure to have the Rice Company come into business in St. Louis was the fact that these seals are not the only seals in the world, and the killing on the island was not the only killing that



was to take place of these seals. The treaty provides that the natives may carry on sealing along the coast, as they had done before; and our natives in British Columbia, who seal with spears and canoes, have been taking numbers, large or small, depending on the market value of the skins. One year over 4,000, or double as many as were taken by our pelagic sealers, were taken by them. Then, besides the other two herds that I have spoken of there are more or less important herds in various portions of the world. Around Southern New Zealand there is a small herd; around Cape Horn—

Hon. Mr. HORSEY: Are they the same species?

Mr. FOUND: Not exactly the same species, but a sub-species of the same animal. They are fur seals, possibly not quite as good as to the quality of fur, and not taken in the same way and not resulting in as good a product.

On the east side of South America, around the Falkland Islands, and around the Galapagos Islands there are fairly important rookeries, or were. Also there are some around the Cape of Good Hope and some in Australasia.

All these skins were going to London. It was the great fur market of the world. But the War was on when this arrangement was entered into with the Funston Fur Company, and St. Louis soon became the leading fur market of the world, and prices ruled very high.

We followed the situation very closely. Japan had not marketed the skins taken on her islands, amounting to several hundreds each year, up to 1916, and we arranged for Japan to send our share of skins taken that year to London. They went to London and did not sell that year; they sold the next year at what seemed a fairly good price, seventy-two shillings, which netted us somewhere around \$11 when all expenses were paid. That same year Japan sent her skins, and also the skins for the previous years, which included our fifteen per cent, to St. Louis. These skins were sold and netted us \$21.33, or nearly double.

Now, the close season ended in 1917. At that time, with the advances we had received, and the interest on these \$10,000 advances, we had to recoup the United States something over \$258,000. But it was considered that the number of seals that would be killed in 1918 would be large enough, possibly, to take care of those advances. So the question as to how we would dispose of our share of the skins was given very close consideration.

The situation under the treaty was, as I explained it to you, that we would have had to take delivery of our share of the skins at the islands. That would have meant sending a substantial, sea-worthy vessel to the islands on a trip that would have taken quite a month, because there are no harbour facilities on the islands, and it would have been quite costly. There is the further difficulty that the treaty provides that Canada shall receive fifteen per cent in number and value; and to decide the fifteen per cent in value of the raw skins on the islands would not be a simple job for anybody. So, with the markets in St. Louis being highly attractive, and the United States having to send a vessel to the islands in any event, in connection with its responsibility for the maintenance of the natives, the question was whether it would not be very much better business for Canada to arrange with the United States to sell its share of the skins with hers, and to account to Canada for fifteen per cent of the net proceeds. The matter was submitted to the Minister of the day, a man of recognized outstanding business ability, who, after consideration, approved of asking the United States if they would be agreeable to that method of handling our share of the skins. The question was dealt with through the usual diplomatic channels.

The United States agreed, and the matter was accepted by Canada. I was rather amazed to see that information of it had only now become available to the Chairman; because if one had turned to the Fishery Report of that year he would have found it set out there in detail.

Hon. Mr. TANNER: What year?

Mr. FOUND: 1918, the year the arrangement was made. The report reads:

The good effects of the Pelagic Sealing Treaty of 1911 on the north Pacific seal herds are becoming strikingly evident. It will be remembered that when this treaty was entered into the seal-herds were on the verge of commercial exhaustion.

Under the treaty, Canada receives 15 per cent of the skins taken on the United States islands, 15 per cent of those taken on the Russian islands, and 10 per cent of those secured on the Japanese islands.

During the season 1918, 34,890 skins were taken on the United States islands and 550 on the Japanese islands. The latter islands are quite small. At the present time the only one on which seals are killed is Robin island, which was ceded by Russia to Japan following the close of the Russo-Japanese war. In the present unsettled conditions in Russia it has not been possible to ascertain how many seals, if any, were killed on the Russian islands during the year.

It will be remembered that in 1912, the first year that the treaty was effective, both the United States and Russia enacted a close season for five years, so that killing seals on the islands did not begin until 1917.

Under the treaty Canada's share of the skins are to be handed over at the seal islands. This is an expensive method, as it involves sending a vessel to the islands each year. Also it is scarcely possible in practice to be sure that the skins that would be taken over there would be of average value. In the circumstances an arrangement has been entered into with the United States Government for the disposal of Canada's share of skins, which is eminently satisfactory to this country.

The United States Government conveys all the skins taken from the islands to market. They are all dressed and dyed and are sold at public auction, and the United States Government accounts to Canada for 15 per cent of the net proceeds.

I need not read the rest of the report, Mr. Chairman. I wish only to state that it may be interesting to the Committee to know that Japan did the very same thing after giving the matter consideration. Unless she changed her method last year, she is doing so yet.

Hon. Mr. HORSEY: The Japanese Government asked to be included in the arrangement?

Mr. FOUND: I imagine so, because I know they made the very same arrangement, and it has been prevailing since that time.

The CHAIRMAN: Before we adjourn, Mr. Found, are these returns audited by the Auditor General?

Mr. FOUND: These returns are audited by our own accountants.

The CHAIRMAN: But will you answer: are they audited by the Auditor General?

Mr. FOUND: In the same way that the Auditor General audits all our accounts.

The CHAIRMAN: Tell me yes or no. I am not casting any reflection on your department.

Mr. FOUND: I am not sure—

The CHAIRMAN: I simply want to know whether the Auditor General puts his imprint on these returns. If he does, every person should be satisfied.

Mr. FOUND: I should say he does, but I am not quite certain how the Auditor General works. I know these accounts are handled just like all our other accounts are handled, they are all sent to the Auditor General. He accepts what our accountant does.

The CHAIRMAN: If the Auditor General says that we receive the equivalent of what we are entitled to under the treaty, there can be very little argument about it. If no independent authority says so, the question still remains.

Mr. FOUND: So far as the counting is concerned, each year the United States Government accounts to Canada for the killing on the island and for each sealskin. Now, it is impossible at the end of each sale to say that that fits in to that particular year, for skins take quite a while to prepare for market, and sometimes the kill of one year may run into two or three successive years; but the checking has been going on so closely in our department that, as I say, whenever there has been any difficulty it always results in correspondence, and in the whole term, only in one year—speaking from memory I think it was 1924—was there one seal which could not be accounted for. The United States Government said there must have been a mistake in counting somewhere; which would not be an unreasonable explanation when you are handling so many thousand skins.

The Committee adjourned to meet at the call of the Chair.



## MINUTES OF EVIDENCE

WEDNESDAY, May 16, 1934.

The Special Committee on Sealing and Fishery Interests in Pacific Waters met this day at 11 a.m.

Hon. Mr. TAYLOR: Senator Horsey, you are in the seat of honour. Would you call the meeting to order and take charge for a few minutes?

Hon. Mr. HORSEY: Gentlemen, if you will come to order we will commence the proceedings. I will call upon our Chairman, Senator Taylor, to make a few remarks.

Hon. Mr. TAYLOR: What I have in mind is to ask the Committee to relieve me of the responsibility of Chairman. I find myself in the difficult position of having to produce the great bulk of the evidence that is to come before the Committee, and it is very difficult for anyone to be in the Chair and to be at the same time the chief witness. It is a very uncomfortable position, and would hamper the operation of the Committee. I think I can be more effective, and can save time, by simply sitting in as a member of the Committee and leaving it to one of you gentlemen to occupy the Chair and direct the proceedings. I would ask you gentlemen, therefore, to consider that I have vacated the Chair, and to appoint a Chairman.

On motion of Hon. Mr. McRae, Hon. Mr. Horsey was appointed Chairman.

W. A. FOUND, Deputy Minister of Fisheries, appeared as a witness before the Committee.

The CHAIRMAN (Hon. Mr. Horsey): Is it the view of the Committee that we should ask Mr. Found to go on and finish his statement with regard to pelagic sealing?

Hon. Mr. McRAE: I have read Mr. Found's statement. He has given a very good history of the seal. I do not know that you can get any more history on it. But it seems to me that there are three points in regard to the sealing treaty that might be considered. First, are we getting skins enough to make the perpetuation of the seals a primary object? I am looking at this from a selfish national viewpoint. Those seals are killing a considerable quantity of the fish that would find their way into our rivers. It is a disputed question to what extent this goes on; but would it be difficult to offset more than we get by way of return from the seal treaty? Then, our position in regard to the seals is much the same as the American position in regard to the sockeye salmon, and while I do not want this published, I have it in mind that we have a good trading point there in requesting a sockeye treaty with the Americans. Certainly the returns we are getting from the seal treaty are so small—probably they will improve as furs go up—but they have not been large enough to justify our standing a serious loss on the fish supply of the British Columbia rivers if the seals are interfering with it.

Is that a fair statement of the points at issue, Mr. Found?

Mr. FOUND: I think so, Mr. Chairman.

The CHAIRMAN: What would you say with regard to those points? Would it pay us to continue the seal treaty?

Mr. FOUND: Whether or not it will be a paying factor depends, of course, on economics. If the demand for sealskins keeps improving as it has improved during the last fourteen months, and the demand comes back to normal, Canada

will have an asset in the Alaska herd alone which will be worth while. For instance, if we can net, say, roughly, for the purpose of calculation, \$20 a skin,—and our average share of sealskins is now over 8,000—if you want to put it at say 10,000 skins, that would be \$200,000 a year. Of course it will be less than that for a year or two, but it will be more than that later.

Hon. Mr. McRAE: Don't you think that is a bit optimistic, because up to date we have got an average of \$50,000 a year?

Mr. FOUND: We have got out of the treaty to date about \$1,200,000, and the kill has been in operation since 1918.

Hon. Mr. McRAE: Our big earnings came during the War period and subsequent years when skins went very high.

Mr. FOUND: The closed season expired in 1918, and the War ended in the same year. The very big prices prevailed just at that time and for a few years subsequently. Meantime, as in every other industry, prices went down, but they are now coming up again. I read in the press just the other day the seal sales at St. Louis, and the prices were very considerably higher than those of last fall, and they again were higher than those of May of last year. So I do not think \$20 is an unreasonably optimistic net profit to anticipate.

Hon. Mr. McRAE: Of course I am not a fur man, but we all know that muskrat, the near seal, has come in. Has not that a very restraining influence on the price of real seal?

Mr. FOUND: Yes.

Hon. Mr. McRAE: Should we not anticipate, with the development of the near seal, that the real seal will not assume anything like its old values?

Mr. FOUND: From such investigation as we have been able to make in that regard, I do not think there is any reason to be apprehensive that there will not be as large a demand for fur seals as there ever was, if the prices do not get unreasonably high as compared with furs that can be used in their stead. If any commodity gets too high the trend is to secure some substitute for it. But the fur seal provides an unusually desirable fur. It is light and hard-wearing.

Hon. Mr. McRAE: Not as light as rabbit.

Mr. FOUND: I am not a fur man either, but my information, obtained from fur people, is that it is an unusually desirable fur, and there is no reason to anticipate that there will not be a market for it at a commensurate price.

Hon. Mr. LITTLE: This statement showing the catch from 1911 to 1933 gives a total of 1,085,000. Taking a period of twenty years that is somewhere in the neighbourhood of 60,000 to 70,000.

Mr. FOUND: Yes. But let this be understood, Mr. Chairman, that when the treaty became effective there was an advance payment of \$200,000, and that the United States legislation—the so-called enabling legislation that made the treaty effective—also provided a close season in the United States for five years. During each of those five years we got a payment of \$10,000, which we had to repay, like the \$200,000; but there was interest on them. We didn't get any share of the skins during those five years.

So, as far as the commercial operation under the treaty is concerned, it really begins with 1918, when we had paid back what was owing by us up to that time; but our complete revenue is pretty small up to 1918 if—

Hon. Mr. McRAE: The statement we have here is rather interesting and rather confirms my suggestion that near seal has interfered with the real article. In 1920 we had 101,000 and in 1921 155,000. And while the herd is growing every year, even in the high priced years of 1929 and 1930 we were down comparatively low. We naturally get liquidated out, until last year our receipts were only about \$5,000, I think.

Mr. FOUND: In 1933 we got about \$5,000 but we have not received all our payments from the United States yet. And we did not send our fur skins for 1933 to the United States.

Hon. Mr. McRAE: You said that the United States felt the Paris Award regulations were not severe enough?

Mr. FOUND: I think that statement was in answer to one by the Chairman. It will be remembered that the Paris Award regulations were adopted in 1893 as a result of arbitration, and they provided for amendments at intervals of five years.

Hon. Mr. McRAE: That treaty has gone by the board, has it not?

Mr. FOUND: It was hardly a treaty; it was the outcome of an arbitration. What I was trying to explain was that the reason there had been no revision of the Paris Award regulations was that the Canadian sealers felt the regulations were too severe for them, whereas the United States would have liked the regulations even more severe.

Hon. Mr. McRAE: All I wanted to find out was whether the American desire for more severe regulations strengthened our position with respect to sockeye salmon.

Mr. FOUND: As you said before, Senator McRae, those regulations have all gone by the board and have been superseded by the treaty of 1911.

Hon. Mr. McRAE: Referring to the question of scientific investigation, it seems to me there may be ground for criticism in the apparently very meagre effort that has been made to ascertain what effect the seals are having on our salmon fisheries.

The CHAIRMAN: What have you to say about investigations as to the effect the seals have on the sockeye salmon and the spring salmon?

Mr. FOUND: As to the possible effect on spring salmon we have some evidence. But may I say here, Mr. Chairman, that I think it cannot be fairly stated that a meagre effort has been made in the years gone by to ascertain what the food of fur seals is.

Hon. Mr. McRAE: I do not want to be unnecessarily critical at all. The officer who made the report, of which you sent me a copy, on the twenty-five seal stomachs said that the investigation was not sufficiently extensive to enable him to arrive at definite conclusions. In view of the importance of the treaty, it seems to me we might well consider whether we should not have further careful inquiry into the question of what the seals eat. I take it that the department has the machinery to make such inquiry without much additional cost.

Mr. FOUND: I take no exception to that type of criticism. But let us consider the situation as it is. The question is one that was naturally bound to arise when the whole matter of protecting the fur seal herd came up. It was one which received in the nineties the attention of an international committee of experts headed by the late David Starr Jordan, whose capabilities were internationally recognized. That committee had under investigation the stomachs of a large number of seals caught in the Gulf of Alaska. Conditions there would be fairly similar to those we have along our coast. There you will find the salmon going up to the various rivers along the southeast portion of Alaska, just as they go up our rivers when the seals are passing at anywhere from about twenty-five to fifty miles off our coast. I did not know that the Committee was going to meet this morning and consequently I have not got all my data as I should like to have it.

Hon. Mr. McRAE: I submit you cannot say that the conditions in Alaska waters are the same as those off Vancouver Island. I have no doubt the report you mention was a good one, but it is a little old.



Mr. FOUND: It was made in 1896.

Hon. Mr. McRAE: It does seem to me, Mr. Found, that we have not done much to find out the facts.

Mr. FOUND: We have to consider this thing from two angles: First, in the light of the information we have; and secondly, as to how further information can be obtained. I will refer briefly to the information we already have. On the Russian seal islands there are important salmon streams, the biggest salmon stream being only seven miles away from the largest rookery on the islands. After a year's direct observations there Dr. Stejneger, who is a recognized investigator, was unable to find any seals coming to that area to feed on fish. And he definitely came to the conclusion, as Dr. Jordan had, that the seals do not go after salmon. I think everyone will agree with the statement that when salmon are available to the seals the seals will eat them. The question is how available the salmon are. All the investigators are agreed that the seals feed on schooling fish, when they are readily available. When herring are present in a school the seals will feed on them; and likewise when pilchards and squid are within easy reach in large quantities the seals will feed on them. Observations have shown that seals do their feeding in the first few fathoms of water below the surface. We have no information, and the fishermen on neither side of the line have information to indicate that there are salmon schools in our coastal waters during the months when the seals are passing. Spring salmon is the only fish that is likely to be in those waters at that time. No one on this side or on the other side of the Atlantic has been able to find out where the salmon go when they disappear in the deep sea, and I do not know just how we can obtain the information. The general view is that they are in deep water feeding on food that is available there at that time, and that they do not come towards the surface until they start for the rivers in the course of their coastal migrations. If there are salmon schooling on the Pacific coast in the months when the seals are passing, is it not reasonable to suppose that the Canadian and United States net fishermen would be aware of the fact?

Hon. Mr. McRAE: Fishermen cannot hope for much success in catching salmon if there is a herd of seals in the vicinity.

Mr. FOUND: The seals would not be so numerous as to interfere with the fishermen.

Hon. Mr. McRAE: It is quite proper for you to defend your department, but my point is that we are a party to a treaty that has been in effect for many years and which it is claimed is injurious to the interests of our fishermen. I do not see, Mr. Found, why you could not have two or three of your biological men obtain from the Indians the stomachs of a large number of seals, with a view to making a really definite investigation as to whether the seals are feeding on our salmon. There was an investigation made in 1925?

Mr. FOUND: Yes. My view, and I think the view of all who read that report, was that the information it contained was in line with that previously received. And therefore it was not considered to be a cause for apprehension. Nevertheless, I am not taking the position that we should not have an investigation, nor even that we should not have an international investigation, into a matter of this kind. If there really is any danger to our salmon fisheries, the investigation should be complete enough to show it.

Hon. Mr. McRAE: Quite so. If I might make a recommendation to the Committee, it would be that we should have a careful inquiry this season into what the seals are actually feeding on along our own coast, not along the Alaska coast. If there is a catch of about 1,700 seals I should think we could get six or seven hundred of them that have not disgorged their stomachs.

Mr. FOUND: One year our Indians took over 4,000 seals.

Hon. Mr. McRAE: Last year the number was about 1,700?

Mr. FOUND: Yes. That was because prices were low.

Hon. Mr. KING: Senator Taylor has just handed me a clipping which states that a fisherman up north, at Whaleback, about twenty miles from Reindeer Island, claims that seals took 3,000 pounds of fish off the hooks on one trip. Is that possible, do you think?

Mr. FOUND: That is possible.

Hon. Mr. KING: That would be halibut?

Mr. FOUND: Yes, halibut.

Hon. Mr. KING: As they came to the surface?

Mr. FOUND: Yes. That is another evidence that seals feed near the surface. I doubt that such a large quantity was taken off the hooks, but there is no question that seals have grabbed halibut that are being hauled by the fishermen towards their boats. And just here may I refer to another matter? It has been pointed out this morning that the sockeye salmon are coming back to the Fraser River in numbers approximating their former abundance. If that is so, and if it is a fact that the seals are increasing rapidly along the coast, what becomes of the argument that seals destroy the salmon?

Hon. Mr. KING: But has it been definitely established that the sockeye salmon are coming back?

Mr. FOUND: I am afraid that there is no strong evidence to show that they are coming back in very large numbers.

Hon. Mr. McRAE: The statement showing the production of 53,481 cases of canned salmon in 1933 does not indicate that the salmon are present in very large numbers, does it?

Mr. FOUND: I was just taking that as evidence for what it was worth of what the seals were feeding on. As a matter of fact, in view of the question having been raised here, I have already taken up the matter of a further investigation and how it can most effectively be made. After all, it is not merely a matter of examining the stomachs of seals. So far the only salmon—we have been able to get—in the stomachs of seals is spring salmon. No one will say that the spring salmon fishery is being seriously endangered, yet we know that the spring salmon are the fish which are moving near the surface at the time of the year when the seals are passing by. Perhaps the best method of approach would be from the angle of trying to ascertain where the sockeye salmon are during those months when they disappear from sight.

Hon. Mr. McRAE: You have not much chance of early success there, have you?

Mr. FOUND: No, there certainly is not much chance of finding out a great deal about it this summer. And it is difficult to know how we are to get extensive and reliable information on the whole subject unless we go into pelagic sealing on a fairly large scale.

The CHAIRMAN: What efforts have the Biological Board made to see where the salmon do go?

Mr. FOUND: The matter has been studied by investigators on our coast and on the United States coast, as well as in Europe, for a great many years. The salmon simply disappear.

Hon. Mr. McRAE: You will agree that even the spring salmon are worth saving?

Mr. FOUND: Yes. But they are not being decimated.

Hon. Mr. McRAE: You are arguing the American case with respect to this treaty, and I am arguing the Canadian case.

Mr. FOUND: I certainly do not want to be considered as arguing from the American point of view. I am simply trying to express the facts fairly.

Hon. Mr. McRAE: The seals necessarily feed on something, and it would be very important to us if we could show that they eat salmon.

Hon. Mr. BOURQUE: If it could be shown that the salmon are being consumed in large quantities, we would have a good argument for a more favourable treaty with the United States.

Mr. FOUND: If it is a fact that the seals are destroying our salmon to such an extent that we are losing more on that account than we get from the seals, then we should seek not only to withdraw from the treaty but also to destroy the seals. I will hold no brief for the treaty if it can be shown that it is not leading to a business that will be a profitable one for Canada.

Hon. Mr. McRAE: Quite so. I suggest that in order to arrive at the approximate value of the seals it might be advisable to call some fur man before the Committee. In that way we might be able to learn something of the prospective value of the seals to us in the future.

Mr. FOUND: There are two men in Ottawa who handle seal skins extensively, Mr. Devlin and Mr. Burkholder.

Hon. Mr. McRAE: They buy some seals, do they?

Mr. FOUND: They handle large quantities.

Hon. Mr. BOURQUE: Do you think it would be possible to determine by further examination whether the seals are destroying our salmon to a large extent?

Mr. FOUND: Yes. As I told the Committee a little while ago I have already taken up the question in view of the suggestion that was made here at the last meeting.

The CHAIRMAN: In what way have you taken it up?

Mr. FOUND: I have written to Dr. Clemens, who is the Director of the Biological Station at Nanaimo. He is in touch with these things, and he is a trained investigator who knows how this problem should be attacked most effectively, keeping in view the two aspects—the salmon and their habits, and the seals and their habits.

Hon. Mr. McRAE: That would be a step in the right direction, but I am afraid that unless this Committee makes a suggestion the work will be done in a biological fashion and comparatively slowly.

Mr. FOUND: It is too late to do much this year, because the seals have all gone by. But the work will be done thoroughly. And I want to make this statement, that the investigation that was made was not made at the instance of the Biological Board but at the instance of the department itself. And I do submit that when you take that information, in conjunction with the information that was obtained in 1896 and 1897, it gives no ground for believing, in my opinion at least—though I may be wrong—that the increasing number of seals constitute a factor that is dangerous to our very valuable salmon fisheries. Hence the matter was not followed any further, and further action was not suggested by the Board. It was said that the report of that investigation was not printed. As a matter of fact, it was printed and distributed in one of the scientific journals that goes all over this continent. The substance of it was published in our news bulletin and was referred to also in the annual report of the Biological Board. If it was a matter that I wanted to conceal I would not have mentioned it.

Hon. Mr. TAYLOR: Do you remember the dates when seals were taken?

Mr. FOUND: All the dates are given in the report.



Hon. Mr. TAYLOR: The dates run up to the 7th of July. You said a moment ago that the seals have all gone by for this season now.

Mr. FOUND: The seals have practically all gone by before the middle of July.

Hon. Mr. TAYLOR: Well, it would seem that the reason no salmon were found in seals' stomachs was that there were no seals available at that time.

Mr. FOUND: The investigation had to do with the seals that were caught. We arranged to get seals from the Indians.

Hon. Mr. TAYLOR: But those seals were taken during June and July?

Mr. FOUND: I am glad that point has been brought out, because if the seals were feeding on salmon there should have been some evidence of it at that time.

Hon. Mr. TAYLOR: I am just a humble seeker after knowledge. The salmon comes to the Fraser river about the third week in July. The seals pass by in May and June, I understand?

Mr. FOUND: No, the body of seals go by there in February, March, April and early May.

Hon. Mr. TAYLOR: Do they?

Mr. FOUND: Yes. The seals usually have their young in June. They come on to the rookeries in large numbers beginning early in May.

Hon. Mr. TAYLOR: I do not know about seals but I know about salmon. I wonder why the investigation was made in May and June although the salmon are not present in large numbers until July.

Hon. Mr. KING: The salmon are not running earlier, so the seals cannot be eating the salmon then.

Mr. FOUND: That is my point.

Hon. Mr. McRAE: It would seem an easy matter for us to get seals from Indians and examine a few hundred stomachs. In that way we should be able to reach definite conclusions as to what the seals eat.

Hon. Mr. HORSEY: Since that examination to which you refer there has not been another on an extensive scale?

Mr. FOUND: No sir, we have not had an extensive one. A thorough investigation would be fairly expensive, but the expense would be justified.

Hon. Mr. McRAE: Why would it be expensive? I could take three doctors, as you call them, and put them at three different points on Vancouver Island and have a few hundred stomachs examined. Those men are out there, in any event, and why should they not be doing work of that kind? You could arrange with the Indians to bring the stomachs in.

Mr. FOUND: Yes. We will probably have to pay about \$5 a stomach.

Hon. Mr. McRAE: Don't have the stomachs sent to Nanaimo. I think a much better job could be done if the men examined the stomachs while they were fresh.

Mr. FOUND: One difficulty in connection with the matter is due to the fact that seals do not eat at regular intervals. They gorge and then they eat nothing for a considerable time. However, there need be no apprehension that the investigation will not be thorough.

Hon. Mr. McRAE: And it should not be expensive.

Mr. FOUND: Even if it were, that should not prevent us from going ahead.

Hon. Mr. McRAE: There is another question I should like to ask. In the treaty I cannot see that we are obligated to bear the expense of sending out ships as scouts or patrols. Can you tell me what the cost is of operating those patrol boats, whether they belong to the naval department or to your department?

Mr. FOUND: Article VII of the treaty says: "It is agreed on the part of the United States, Japan, and Russia that each respectively will maintain a guard or patrol in the waters frequented by the seal herd in the protection of which it is especially interested, so far as may be necessary for the enforcement of the foregoing provisions."

Hon. Mr. McRAE: That does not include Canada or Great Britain. So why should we be standing this expense? Is it just that we are trying to be magnanimous?

Mr. FOUND: Well, we are a party to the treaty, and it seems reasonable that we should do some patrolling.

Hon. Mr. McRAE: The Americans interpret the treaty according to the letter.

Mr. FOUND: So far as the cost is concerned, the boats are out there and if they were not being used for that work they would be used for something else or lying up.

Hon. Mr. McRAE: That is not a sound argument from an economic standpoint.

The CHAIRMAN: What is our cost of patrolling compared with that of the United States?

Mr. FOUND: I do not know what their cost is. They use war vessels.

Hon. Mr. KING: And we have been supplementing their patrol?

Mr. FOUND: We ask the Naval Branch of the Department of National Defence to use their vessels that are out there in patrol work and to furnish us with certain information.

Hon. Mr. KING: But under the treaty we are not obliged to patrol?

Mr. FOUND: No, we are not.

Hon. Mr. McRAE: Mr. Chairman, we are spending on account of patrol work on the West coast in the neighbourhood of \$400,000. I am speaking only from memory as to that figure. It seems to me that that expenditure is an extravagant one, and there should be some way of reducing it.

Mr. FOUND: There is also this provision in the treaty, Article VIII:

"All of the High Contracting Parties agree to co-operate with each other in taking such measures as may be appropriate and available for the purpose of preventing pelagic sealing in the prohibited area mentioned in Article I."

Hon. Mr. McREA: That refers to prosecuting.

Mr. FOUND: It refers to preventive work.

I remember the situation very well, now.

Hon. Mr. McREA: The very fact that the treaty does not obligate Canada to patrol shows that we were not expected to do that work. And it is only reasonable that the patrolling should be done by the United States, Japan and Russia, which countries own the grounds where the seals breed. The Americans patrol in their own interests, the Japanese in theirs and the Russians in theirs, but we were deliberately and intentionally left out when this obligation in Article VII was prepared. I think the kind of preventive work referred to in Article VIII is such as we carry on in preventing the Indians from shooting seals with rifles, and so on. A number of Indians are arrested every year in that connection. Of course we may be getting now into a discussion of a legal interpretation of the treaty. I am quite convinced as to our technical position, and for the purpose of going into the matter further at a later date I should like an estimate of the cost to Canada of patrolling the seal herd.

Mr. FOUND: It will be necessary only to take the total cost of each of the ships for a year, and then take the proportion of that cost for the time that was spent in patrolling.

Hon. Mr. McRAE: And could we have the dates of when they start to work and when they quit?

Mr. FOUND: Oh, yes.

Hon. Mr. LITTLE: Referring to that figure of \$400,000 that was mentioned by Senator McRae, have you any idea of what proportion should be charged to the sealing industry?

Hon. Mr. McRAE: You have your protection services and there is a division in your appropriation, as I remember it?

Mr. FOUND: Yes. Speaking from memory, our two big boats, the Givenchy and Malaspina, cost us together about \$90,000 to \$100,000 for maintenance. The figure varies in accordance with the amount of repairs necessary.

The CHAIRMAN: Did we commence the patrol work immediately after the treaty was made?

Mr. FOUND: Not immediately after the treaty was made. Our patrol is not a coast patrol. These vessels do not restrict themselves to Seal patrolling work alone; they are out there for other necessary work.

The CHAIRMAN: Can you tell me when the patrolling did commence?

Mr. FOUND: I am not sure.

Hon. Mr. McRAE: Perhaps we can leave the seal question just now, Mr. Chairman, and take up the halibut. I want to say with respect to the halibut that I am not entirely in agreement with Senator Taylor, because I think the Halibut Treaty is working out pretty well. However, I think probably it should be reviewed now. The provincial commissioner from the coast is no longer functioning, is he?

Mr. FOUND: Yes, he is chairman of the commission.

Hon. Mr. McRAE: He is getting very old and about ready for retirement, is he not?

Mr. FOUND: That depends on the Government. His position as commissioner does not necessarily have any connection with his position in the provincial service.

Hon. Mr. McRAE: There is one point I would like to bring up, which is entirely outside Mr. Found's sphere. Can we not do something by way of making it possible for the Canadian boats to get a larger percentage of the fish? At the present time the Canadian catch is about 18 per cent of the total, I think.

Hon. Mr. KING: About that.

Hon. Mr. McRAE: I figure it at about 18 per cent of the 1933 catch. More than half of the catch is generally marketed on the coast, at Prince Rupert, is it not?

Mr. FOUND: Of the Canadian catch?

Hon. Mr. McRAE: Of both catches.

Mr. FOUND: Yes.

Hon. Mr. McRAE: It seems to me that our fishermen should be getting a larger percentage of the catch. I have often felt that perhaps they did not have enough money to get larger boats.

Hon. Mr. TAYLOR: Is not the duty a factor there?

Hon. Mr. McRAE: Probably.

Mr. FOUND: That is entirely an economic matter that was not contemplated by the treaty, and I do not see how the treaty could be made to intervene. I would like, if I may be allowed, to place before the Committee a statement of the facts and let the facts speak for themselves. I am particularly desirous of doing that in view of the remarks of Senator Taylor in the Senate and the Committee.



Hon. Mr. KING: I think Mr. Found should complete his statement.

Mr. FOUND: I will deal with the story as briefly as I can in order to place the facts before the Committee. Let me say in the first place that the halibut fishery on the Atlantic coast while an old one was never a very large one. But halibut being an excellent shipping fish the demand was always greater than the supply obtainable on the Atlantic. Hence in the eighties when it was reported that halibut existed in large quantities on the Pacific coast there was quite naturally a strong desire on the part of Atlantic fishermen to get into the fisheries out there. Of course it was known that halibut existed in large quantities on the Pacific coast long before there was any fishery there. Halibut formed an important part of the food of the Indians in the day of Vancouver. In 1888 two schooners from Gloucester went around the Horn, partly to engage in the halibut fishery on the Pacific coast and partly in pelagic sealing. For the first few years they had a not very profitable experience. The transportation facilities for shipping fish fresh to the East, where the markets existed, were so poor that the shipping of fresh fish to those markets could not be carried on successfully. There was no artificial ice, and natural ice was not readily available on that part of the Pacific coast. Such ice as was used had to be taken from the mountainous sections of the interior or from Alaska. The Great Northern got through to the coast in about 1890, and the Canadian Pacific had their connections there, so that by that year facilities were provided which made it possible to ship fresh fish to the eastern markets. The business grew with tremendous rapidity from that time on. The Canadian Pacific, through the Dominion Express Company, gave as good facilities for shipping East as were obtainable from Seattle. The fishery started right off the Puget Sound waters and off the west coast of Vancouver Island, but the growing demand soon made it necessary to press northward, where the halibut were more abundant, and soon the fishery was being prosecuted in the Hecate Strait area. Those who are familiar with the map of the province will realize that as the fishery proceeded north of Vancouver Island, it became evident that Vancouver, being considerably nearer than Seattle to the fishing grounds, was distinctly the better place for a market port. The New England Fish Company, a large concern on the Atlantic coast, with headquarters at Boston, had early established itself in Seattle, but it promptly extended to Vancouver when the fishery was developed north of Vancouver Island. That company, having distribution facilities, made it very difficult for others in Vancouver or at other places in Canada to compete with it in the marketing of fish. The New England Fish Company when it established at Vancouver, having to use Canadian boats to catch its fish, had to pay a duty of half a cent a pound on the fish shipped to the United States. Notwithstanding that duty, however, it found it more desirable to carry on business there than at Seattle alone, and in 1894 the company came to the department and asked for the privilege of using United States fishing vessels so that it could ship its fish through in bond from Vancouver and thus escape the duty into the United States.

The Government refused the request at the time, and business went on. But as the business grew objection from the United States to such a large share going to the Canadian side also grew, and in 1896 the duty was raised to a cent a pound on fish going from Canada into the United States. In that year the New England Fish Company, backed by the Dominion Express, repeated its request, pointing out that while it could continue the business and pay the duty of a half a cent a pound it could not compete with Seattle and pay a cent a pound. It was decided to grant the privilege on an experimental basis that year, and without going into detail, I may say the privilege has been continued ever since with slight modifications, the modifications being rather to facilitate the operation of those vessels than otherwise.

Hon. Mr. McRAE: Can you tell about the weight of halibut shipped from Prince Rupert to the United States that goes through in bond?

Mr. FOUND: I will have my assistant look that up, and while it is being looked up I will proceed.

I am sorry, but I have not been over my notes for weeks, and cannot speak as readily as I otherwise would.

The fishery that was developed in the Hecate Strait area was not only the largest and most important fishery that there was on the coast up to that time, but the fish were of the best quality; and the best quality of fish are still there.

As I will show later on, the fish consist of different stocks, and the stock that frequented that area is of the choicest quality. The fishery in Alaska started as a shore fishery, as did the fisheries further south, but it developed into an important fishery in 1909 when the New England Fish Company established a cold storage plant at Ketchikan. Up to that time there was not much opportunity of marketing the fish from there.

Briefly, the situation is that a fishery which did not exist commercially in 1889, by 1909 had become the largest halibut fishery in the world. Not only had it become quite evident that the fishing was being overdone, but signs of depletion in the older grounds were quite evident, and the fishery was being maintained by the fleet moving further and further to the north and west. So those who were engaging in the industry in a big way began to see that danger was ahead, and in the early teens an agitation began to be developed by the larger interests on both sides of the line for something to prevent the fishery being depleted to the point of commercial exhaustion.

It was suggested in the opening remarks, I think, of the Chairman, that the department was at fault in not taking some action to prevent a condition of this kind developing. I submit, Mr. Chairman, that the fishery was a high seas fishery, with the exception, perhaps, of the Hecate Strait and Dixon Entrance. It may be maintained that these are waters of Canada—a very important subject which has received a great deal of attention in itself, and which was touched upon by Senator King in his remarks.

So the position was that the fishery was being carried on beyond where Canada was exercising jurisdiction, and beyond where the United States had jurisdiction, so there was only one means by which such a fishery could be controlled—international co-operation between the two countries interested in the fisheries. None of the others have been engaged in it on this side up to the present time.

It is quite true that we could have controlled our own fishermen, and prevented extensive operations by them, but the obvious effect of that would be to merely hand advantages over to their competitors. When, in 1915, Prince Rupert became a railway port, it offered facilities which were equally as advantageous as those of either Vancouver or Seattle for shipment eastward to both the United States and the Canadian markets, so far as time and rates are concerned. So Prince Rupert very shortly became the centre of the halibut fishing industry for the double reason that Hecate Strait and Dixon Entrance were seriously depleted, and the fishery was stretching out into the Gulf of Alaska and Bering Sea.

The situation was as I have described it in the fall of 1917, when it was decided by Canada and the United States to appoint an International Commission to consider the settlement of the outstanding fishery questions between Canada and the United States. The Canadian section was headed by Sir Douglas Hazen, who had just previously been Minister of Marine and Fisheries, the then Deputy Minister, Mr. Desbarats, and myself, the Canadian representatives. The United States Commissioners were the then Secretary of Commerce, late Mr. Redfield, his assistant, Mr. Sweet, and the Commissioner of Fisheries for the United States, Dr. Smith. The Commission, after going into the matter

reported on it unanimously, and recommended that it be handled by a treaty which would contain two provisions: one for the immediate application of a close season of three months during the winter season, when spawning was going on, and when fishing was most dangerous; and two, for the appointment of an International Commission to make a thorough investigation into the life history of the halibut, such commission to report to the two governments with recommendations as to what could be done to maintain and develop that fishery.

There was a combination of reasons that caused delay in dealing with the recommendation amongst them being a change of government in the United States. However, a treaty was finally decided upon in 1923. It did not become effective until it was ratified in October, I think, of 1924. This treaty provided for the close season, and for the appointment of a commission. A commission was appointed, the Canadian members being Mr. Babcock, assistant to the Commissioner of Fisheries in British Columbia, and myself. The United States members were the then Commissioner of Fisheries of the United States, and Mr. Miller Freeman, of Seattle, Editor of the *Pacific Fisherman* and other periodicals, who had for many years taken a very intimate interest in the halibut fishery.

Immediately following its appointment the Commission met for the purpose of organization. It appointed one of the Canadian members, Mr. Babcock, as Chairman—a position that he still holds to the full satisfaction of the Commission as a whole. It also appointed, as Secretary, Mr. Freeman. I should state, though, that both the United States Commissioners have since been changed. The commission felt that the active administrative heads should be on the Pacific Coast, where they would be in continuous contact with the industry.

The Commission then took up the question of arranging for the investigation. I should have said here, as might have been suggested that the Commission itself might have been of a different type, that the question of the character of the Commission to be appointed was given consideration by the two governments. Obviously one of two types might have been appointed—a commission of scientists who, themselves, would carry out the work and look after the administration involved, or a commission composed of administrative officers, who would not be paid, and who would have the investigation carried on and would report to the two governments. The latter type was the one decided upon as being more desirable; hence the appointment of the Commission.

The Commission gave consideration to the staff that should be employed to carry out the investigation. It had no difficulty at all in agreeing as to who should be employed to take charge of that work, if he were available. Mr. W. F. Thompson, to whom the Chairman referred in a complimentary way, had shown himself by work already done, although a very young man, to be an unusually capable investigator. The matter was discussed with different scientific experts by at least one member of the Canadian Commission, and there was no disagreement on Mr. Thompson's selection, if available. He was available, and was employed, and set to work with some assistants. The Commission then arranged for the appointment of an Honorary Advisory Council consisting of two eminent experts from Canada and two from the United States. Professor McLean Fraser of the Department of Biology of the University of British Columbia, and Dr. Clemens, in charge of the biological station at Nanaimo were the Canadian experts. The two from the United States were the late Dr. Cobb and Mr. Schofield, in charge of fisheries investigation work in California. The idea was that the Commission would have the Director draw up a plan of investigation which would be submitted to the Advisory Council for its advice. The Advisory Council was also to be required to give consideration to the methods that were being followed, and the outcome of those methods.



So the Commission had not only a direct investigator, but the advice of recognized competent people from each side of the line as to how the work should be carried on and how it was being carried on.

The investigation was started in 1925, and by 1929, after five seasons of the most intensive work, the Commission felt that it was in a position to report to the two governments.

I do submit, Mr. Chairman, that the work of the Commission was not only efficiently but most economically carried on when you consider the character of the work that had to be conducted. No specially built vessel, such as is usual in such deep sea fishery operations was employed for that work, but halibut fishing vessels were used, and not United States fishing vessels, but Canadian vessels where they would be equal to the work to be done.

The fishery developed in such a way that the Canadian fishery has practically restricted itself to the near-by grounds, hence, all our Canadian fishermen, with the exception of a very few, use boats that are too small to go into the Gulf of Alaska or other remote waters. When investigations had to be carried on in those areas we had to get the biggest vessels available. In such instances United States vessels—the only ones available—were employed.

The work had to be carried on during January and February, the spawning season, which is a very dangerous time—in fact, it was a matter of providence on one occasion that all the investigators were not drowned. I wish to pay tribute in passing to the unstinted effort made by the whole staff to get to the bottom of the problem with which they were entrusted.

The report of the Commission showed that the main producing portion of the coast which extends from Washington State to Bering Sea, is inhabited by two definite races of halibut that do not intermix. These areas, frequented by these two races, are clearly divided by a line drawn through Cape Spencer to Alaska. Within these two larger areas there are several separate stocks of halibut; but if those two bigger areas were to be maintained and built up as they should be and could be, that could only be done by treating them separately, as it was found that there was no drift of eggs or larvae from one area to the other. In the Gulf of Alaska the direction of the current is clockwise, and all the carrying of eggs and fry was outwards, towards the Bering Sea, rather than southwards. The close season was found—as was anticipated when it was recommended—valuable mainly from an economic standpoint. That is, the vast majority of the fishermen would not fish at that time if it were not that some of their competitors were doing so, as fishing then was expensive and great losses of gear, and usually of vessels and life, were experienced. The close season had some scientific advantage in Alaska, where in one area spawning fish resorted during that period of the year.

The southern area—that area mainly off the coast of British Columbia—as would be expected, was depleted to a vastly greater extent than the more westerly area, and needed even greater protection.

It was found, further, that young fish congregate in certain areas, which we call nurseries, and remain there until they reach a reasonable size, when they scatter to the different banks round about.

The need for adequate statistics to enable a following of the trend of the fishery—not only in the different areas, but on the different banks in the areas—was pointed out to be essential. In the light of these results the Commission recommended that the treaty be modified, or rather be replaced by a treaty which would give power not only for investigation but for regulation of the fishery. The treaty was agreed to and approved in 1930, on the 9th of May. Regulations were then drawn up by the Commission, and became effective in 1931.

These regulations, which were published at the time in the *Canada Gazette*, provide for the division of the coast into four areas. The first area is south of Washington State, and is not important. Area No. 2 is between a line drawn through Willapa Harbour in Washington State and Cape Spencer. Area No. 3 is the area between Cape Spencer and Bering Sea; and area No. 4, which is not yet resorted to, is the Bering Sea. The facts in regard to what was done were also given in the annual report, and yet the Chairman in his opening statement did not seem to be aware of this, and claimed that the only thing that had been done so far was the enactment of a close season.

Hon. Mr. TAYLOR: I do not think that is a correct statement. I wish you would not misquote me. I put my statement in writing so that it would not be misquoted.

Mr. FOUND: I should be very sorry indeed to misquote anything. Where is that? It may have been in the speech. I am sorry to delay you. Will you refer me to the point in your statement where you dealt with that?

Hon. Mr. TAYLOR: I have no recollection of dealing with it other than to refer to the inadequacy of the close season, for which my authority is Dr. Thompson. I was quoting Thompson, not myself.

Mr. FOUND: "This close season, it must be remembered, is the sole contribution—

The CHAIRMAN: What page?

Mr. FOUND: Page six. ". . . the sole contribution of the Commission to the preservation of the halibut species."

Hon. Mr. TAYLOR: Yes. So it is.

Mr. FOUND: Well, Mr. Chairman, I submit that is not the case. This is the fourth season the regulations have been in effect. Those regulations have divided the coast into areas; they limit the quantity of halibut to be taken from each area, and prohibit the taking at all in certain areas known as nurseries. They also modify the close season. I am speaking from memory. There may be other things I have overlooked. If these are not important contributions to the protection of the halibut fishery, I am unable to—

Hon. Mr. TAYLOR: Is this a discussion between Mr. Found and myself?

Mr. FOUND: I am not seeking to make it such, but am trying to place before the Committee the facts of the matter. In the light of that statement I am quite willing to leave it at that.

The CHAIRMAN: I think the statement is sufficient.

Mr. FOUND: The quantity of halibut that might be taken in the southern area was limited to 21,700,000 pounds, and in the northwestern area to 24,300,000 pounds, making a total of 46,000,000 pounds. Previously there had been taken much larger quantities, running up into the sixty millions of pounds.

Now, when it comes to how the treaty is working out, I do not want to go into unnecessary detail. I am at a loss to understand where the criticism of the operations and the work of the Commission, and of the regulations, is coming from. It surely is not coming from the fishermen who have been fishing under these regulations, this being the fourth season. As an evidence of that let me read one letter—and here are copies of letters from several important halibut fish-handling concerns on the Pacific Coast, and from the associations of halibut fishermen.

Hon. Mr. McRAE: I suggest, Mr. Found, that you leave that with the Committee.

Mr. FOUND: I should like to leave them all with you. May I read this one to emphasize this point? I read it because it is from the only important

concern doing business in Southern British Columbia, New Westminster, a concern which since has extended its operations further north.

It is dated the 28th of September, 1933, and is addressed to Mr. William F. Thompson, Director of Investigations:

May we, as a Canadian firm dealing in fair quantities of both fresh and frozen halibut, be allowed to express our opinion regarding your jurisdiction over the halibut fishing in Area No. 2.

During the past season you advocated a voluntary curtailment upon the halibut fleet in this district. The fishermen were theoretically in full accord with you; but in practice they made no attempt to curtail either their catches or their number of trips, with the result that an early closed season was imposed, disturbing marketing conditions and disrupting the usual channels of distribution.

It is unnecessary to dilate at length on the importance of a longer fishing season in Area No. 2 than we had in 1933. From the point of view of the fishermen, of dealers and of consumers, it would be preferable to ship fresh halibut at least seven and possibly eight months of the year. In order to do this, and at the same time put into effect the very essential restrictions that you are making, we would advocate that the Fisheries Commission secure treaty powers to so distribute the catch. It is very obvious that the fishermen will not voluntarily curtail their operations to allow the stated quantity of halibut to be taken over a longer period, therefore we strongly recommend that you obtain legal power to curtail and distribute the catch along those lines that you recommend the fishermen should voluntarily work this year.

We wish to congratulate you upon the very excellent results you have achieved in the short time you have been working.

I leave all these letters with the Committee, Mr. Chairman.

I should like to emphasize that the result of the Commission's regulations has, in the very few years that they have been in operation, been to increase the abundance of halibut on the fishing grounds to such an extent that a new problem has been brought about. That is, only 46,000,000 pounds on the whole coast—

Hon. Mr. McRAE: It is 23,679,000 pounds for the southern area; that is a little over. The other is a little under, 22,321,000 pounds. Together they total 46,000,000.

Mr. FOUND: So the problem is for the fishermen, with the fish becoming very much more abundant, to spread their catch over the eight-months season during which the regulations permit that fishing may be carried on. If they do not do that the result is the market is glutted. Prices are low, and unduly large quantities of fish have to go into cold storage. So economically no one gains an advantage.

The Commission, not having any authority itself to control the movements of the boats, very strongly advised the fishermen to agree among themselves so to distribute their catches that they will not be unnecessarily centered at certain periods of the year. Last year an agreement of that kind was made so far as the United States portion of the fleet was concerned, and it was fairly well carried out by them for the earlier part of the season. No such agreement was made by our own fishermen. But even with that agreement, which broke down in July when there was no coherence on the part of the fishermen as a whole, the season had to be closed on the 25th of August in the lower half and before the close of the season in area No. 3.

This year the same situation is being experienced as last year; that is, the catch of fish that can be made per trip is larger than it was even last year. So that the fishermen last fall—and all these letters have the same object in



view—the fishermen seeing the danger that was confronting them, and finding the great difficulty of agreeing among themselves to spread the catches, came practically as a unit—these letters represent, I can safely say, from 90 to 95 per cent of the fishermen and all of the dealers on the Pacific Coast—requesting that the treaty be further modified, not to take away powers from the Commission, but to give the Commission very extraordinary powers of saying when a fisherman might go out to sea. In short, regulating the movements of the fleet.

I want to make one other point abundantly clear. Criticism was made that the Commission has ascertained nothing that was not developed by Mr. Thompson during the years 1914 and 1915 that he was engaged by the Provincial Department in making an investigation of the halibut fishery.

Hon. Mr. TAYLOR: Mr. Chairman, Mr. Found apparently is going to review the salmon end, which is a very serious one. I should like to finish our discussion on the halibut fishery.

Mr. FOUND: Is the Committee satisfied? If not, I think I ought to be given an opportunity to satisfy it that the criticism is not correct that the Commission has done nothing in the meantime which was not known when it was appointed.

The CHAIRMAN: Could you deal with it briefly?

Mr. FOUND: Yes. In order that I may put these facts before the Commission I have had them typewritten.

In the first place, the investigation, splendid as it was that was made by Mr. Thompson in 1914 and 1915, was only preliminary in its character. It was restricted to the older fishing grounds. His data was obtained entirely from the logs of five fishing steamers. It did not touch the early life history or migration of the halibut, a knowledge of which was absolutely imperative to proper regulation of the fishery.

Even if the investigation at that time had been reasonably complete, meantime owing to the continuous process of depletion from 1915 to 1925, new and different biological conditions had been brought about, making a thorough investigation imperative. This changing condition in the fishery is still going on, though now fortunately from the opposite direction from depletion owing to the work of the Commission. This makes it essential to keep up the investigation. There is no other known way of measuring the results and so knowing what to do. Also, with the changed condition in the fleet, as well as the much extended fishing area, but with continued depletion of the halibut everywhere, until the regulations were enacted, we had a new economic condition.

This condition alone made it imperative for the investigation, and I submit that what the Commission has ascertained will be vindicated by fishery investigators anywhere who have knowledge of deep-sea fishery investigations.

Hon. Mr. TAYLOR: Mr. Chairman, may I ask a few questions that seem to me to be somewhat apropos.

The CHAIRMAN: Yes.

Hon. Mr. TAYLOR: I did not expect to discuss this to-day. Did Dr. Thompson in his report No. 5—I am speaking from memory—indicate that in his opinion the close season should be not less than between five and six months, and that it should be continued over a fixed period, to be ascertained when the close season was obtained? Did he not recommend that?

Mr. FOUND: I do not think so.

Hon. Mr. TAYLOR: I think the next time we meet I shall be able to show that he did. This is my next question. In the face of Dr. Thompson's recommendation that the close season should be not less than five or six months, did the new regulations under the authority of 1931 provide that the Commission

had power to shorten the close season, but no power to extend it? I am speaking from memory again, but I refer to the close season of three and a half months.

Mr. FOUND: It is now four months.

Hon. Mr. TAYLOR: Well, four months. My impression is three and a half months. As I remember, Dr. Thompson said that to be effective there should be a close season of at least five or six months, and that it should be definitely continued over a long period of years, the reason being that halibut are not mature until they are about seven years old.

Mr. FOUND: Until they are twelve years old.

Hon. Mr. TAYLOR: Twelve years old. They are a very slow-maturing fish. He recommended this in his report No. 5, and I think he referred to it again in his report No. 6. Then the Commission got power to make regulations and to establish a close season. You will find in the printed document that the close season was established at three and a half or four months, and the Commission got power to reduce that close season, but not to extend it.

Mr. FOUND: Mr. Chairman, the latter part is not so, as is evidenced by Article I of the Treaty:

The International Fisheries Commission provided for by Article III is hereby empowered, subject to the approval of the Governor General of the Dominion of Canada and of the President of the United States of America, to suspend or modify the closed season provided for by this article, as to part or all of the convention waters, when it finds after investigation such changes are necessary.

Hon. Mr. TAYLOR: That is what I said, suspend or modify.

Mr. FOUND: Does not modify mean to lengthen?

Hon. Mr. TAYLOR: No.

Mr. FOUND: As a matter of fact that is what has been done, and I do not think you will get authority to bear you out there. To modify means to change.

The CHAIRMAN: Senator Taylor is expressing the idea that you can only modify four months downward.

Hon. Mr. TAYLOR: I certainly read that in good faith.

Mr. FOUND: As a matter of fact the close season has been changed both ways, up and down, in the light and also with the advice of the law officers of the Crown, available in both cases. When it comes to the question of a close season being necessary for any particular length of time, the obvious reason why a close season alone is not adequate is that unless you have something to control the fishery during the open season, anything that may be saved in the close season can readily be taken up in the open season. That was the case between 1924, when the Treaty became effective, and 1931, when the regulations were made.

Now, Mr. CHAIRMAN: I should like also to show just what has been done—

The CHAIRMAN: It is 1 o'clock.

Hon. Mr. McRAE: I am afraid I may not be able to attend the meeting of the committee next week, and therefore I desire to make an observation or two with respect to the halibut situation. I had not thought that the treaty should be revised, but after listening to Mr. Found and the apparent demands from the industry for further control of the fishery, I am of the impression that a revision of the treaty might be in order. Having regard to the plan that was worked out in the sockeye salmon treaty, with respect to which we are on a fifty-fifty basis with the Americans, it seems to me that we might work out a treaty on a similar basis in connection with the Hecate Strait halibut fishery. I notice that the present proportion is one-third for us and two-thirds for the Americans. I imagine that it is useless to hope for any exclusive right so far as Canada is concerned.

Another point that I have in mind is this. I should be glad if Mr. Found would prepare a statement showing the cost of the Halibut Treaty to Canada up to last year. We pay fifty per cent of the cost whereas we get only 18 per cent of the halibut, and it seems to me that a more equitable distribution might be arranged.

Then there is the matter of the expenditure by Canada of some \$400,000 or \$450,000 a year on the Pacific coast. We expend more than we collect from our fisheries. It would be interesting if Mr. Found would prepare for the committee a statement covering the last twenty years, showing the moneys spent out there. The expenditures could be divided into the cost with respect to the fisheries and the cost of propagation.

MR. FOUND: Do you mean the cost of administering the salmon fisheries on the Pacific coast?

HON. MR. McRAE: I mean all the money that Canada has voted for our fisheries on the Pacific coast in the last twenty years. In addition to showing that it would be interesting to show what has been recovered, and in that way we could find out the net cost to the treasury.

MR. FOUND: You would like the expenditures and revenues set out side by side?

HON. MR. McRAE: Yes, a compilation.

THE CHAIRMAN: Perhaps it would be well to divide the statement into three parts, dealing with the pelagic, the halibut and the sockeye salmon fisheries.

HON. MR. McRAE: And we should also get the information that has been asked for with respect to the cost of patrolling the seal herds. We want only the totals, not the details. The preparation of this material should not be burdensome.

MR. FOUND: They are all published in the annual report, and it is a matter of compiling them.

HON. MR. McRAE: There is one other thing I would like, and that is a statement showing what the department has done in the way of propagation of sporting fish, trout and so on. And I should also like to know in some detail what effort has been made by the Biological Board towards surveying the various streams that have not fish in them.

The Committee adjourned, to resume at the call of the Chair.











THE SENATE OF CANADA



PROCEEDINGS

OF THE

SPECIAL COMMITTEE

ON

SEALING AND FISHERIES IN  
PACIFIC WATERS

No. 2

The Honourable H. H. Horsey, Chairman

WITNESS:

Mr. F. D. Burkholder, of F. D. Burkholder, Ltd., Ottawa, furriers.

Mr. W. F. C. Devlin, President and Managing Director, The R. J. Devlin Co., Ltd., Ottawa, furriers.

OTTAWA

J. O. PATENAUDE

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1934

## ORDER OF REFERENCE

*Extract from the Minutes of Proceedings of the Senate for the  
22nd March, 1934*

*Ordered*, That a Special Committee of the Senate be appointed to inquire into the results of existing treaties in connection with the administration of Canadian sealing and fishery interests in Pacific waters; with power to call for persons and papers and to take evidence under oath.

## MEMBERS OF THE COMMITTEE

The Honourable Senators: T. J. Bourque, W. E. Foster, H. H. Horsey, J. H. King, E. S. Little, L. Moraud, J. McCormick, A. D. McRae, J. E. Sinclair, C. E. Tanner and J. D. Taylor.

## MINUTES OF EVIDENCE

THE SENATE,

FRIDAY, May 25, 1934.

The Special Committee on Sealing and Fishery Interests in Pacific Waters met this day at 11 a.m.

Hon. Mr. Horsey in the Chair.

The CHAIRMAN: Gentlemen, if you will come to order we will commence our business this morning. At the last meeting the Committee wished invitations to be sent out to Mr. Burkholder and Mr. Devlin, who are large dealers in seal fur. I am very glad they are both here this morning. We want to get some information from them, and their opinion, more particularly with regard to market values at present and also in future.

Mr. F. D. BURKHOLDER (Ottawa): I presume, sir, that it is your intention to find out what is the possibility of the development of the seal question. You know from reports what the present market value of the skins is.

The CHAIRMAN: What is the difference between the value to-day, for instance, on the average, and the value in 1928 and 1929?

Mr. BURKHOLDER: During the period of 1928 and 1929 there were inflated prices, and a comparison of to-day's figures depends entirely upon world conditions, not so much upon the actual value of the furs.

The CHAIRMAN: Of course it is the difference between the highest and the lowest prices, I presume.

Mr. BURKHOLDER: We could go back further than that if you wished. For instance, just to be explicit on that point, some years ago an Alaska seal coat was sold for \$1,000, but in the last few years they have been sold for as low as \$95.

The CHAIRMAN: Real seal?

Mr. BURKHOLDER: Real seal.

The CHAIRMAN: The same quality?

Mr. BURKHOLDER: No. The quality was not there. There are many conditions which enter into that, sir, and I would have to be a little bit lengthy in order to explain it.

The CHAIRMAN: You have a statement there that you would like to make?

Mr. BURKHOLDER: Yes.

The CHAIRMAN: We would be very glad to have your statement.

Mr. BURKHOLDER: Dealing with the price, I think it would be best to work backwards. We find in the last sale in England a slight decline of price as compared with the first sale of the Canadian Government sealskins offered this year. That slight decline is due to a more or less stagnant condition of the fur market rather than to quality comparison. At the first sale in the early part of the year there were 3,058 skins offered for sale, and every skin was sold.

The CHAIRMAN: About what time of the year was that?



Mr. BURKHOLDER: That first sale took place in February. I think the second sale took place in May. In the second sale only thirty-five per cent of the skins offered for sale were sold.

The CHAIRMAN: Is that a usual occurrence each year at those months?

Mr. BURKHOLDER: No. It depends entirely upon market conditions. For instance, of all the lots offered for sale at that particular time—I am speaking now of all furs—there were nineteen different lots. Of seven lots less than thirty-five per cent were sold; of three lots more than thirty-five per cent were sold, and the balance of nine lots sold an average—just an average sale. That goes to show that the market condition was down causing the fur dropping in price and not because of the quality of the skins being sold. It appeared that the May sales followed too closely upon the February sales.

The English buyers of those skins, having purchased the Alaska sealskins for the first time in practically twenty-three years, were yet uncertain as to whether they would become popular with the consumer, and hesitated to buy the second lot before they had a chance to present their new skins to the consumer, which would be this fall. And in that way they hesitated on their second buying, and therefore the price was not as high as for the first lot from which they made their sample garments. I would like to quote my personal experience, which may be a guide as to why I think that the Alaska seal skins can and will bring a better price. Up to eighteen months ago we did not have any English dressed and dyed Alaska seal skins, but eighteen months ago, for the first time in twenty years, we were able to place on the market English dressed and dyed skins. I might say for your information that I secured these skins from the coast direct. They were taken by the natives on the coast; they were not so-called Government skins. In the last eighteen months we have manufactured fifty-one Alaska seal coats, and at the present time we have seven on order. In the ten years prior to that we had not sold ten. That is very significant, as indicating that if you have a good article, properly handled and properly processed you can sell it, especially at present day prices. If the trade as a whole are able to secure English dressed and dyed skins they will be able to sell them, just the same as I have. And that will create a demand and a higher price. The point I am coming to is that if the demand can be created you can get a higher price for your seal skins.

The CHAIRMAN: Depending on the quality?

Mr. BURKHOLDER: The processing quality.

Hon. Mr. LITTLE: Mr. Burkholder, the seal skins that were obtained prior to eighteen months ago were obtained from and dressed and dyed in the United States?

Mr. BURKHOLDER: Yes.

Hon. Mr. LITTLE: Are we to take it that the dressing and dyeing done in the United States is not equal to that done in England?

Mr. BURKHOLDER: That is true, sir. There is sufficient evidence on all sides, I am sure, to prove that. I will go further than that. I will state that it was the poor handling of the American dressed and dyed skins that brought the price of Alaska seal skins down to where they are to-day.

The CHAIRMAN: Do you mean that was wholly the cause, that the depression had nothing to do with bringing down the price?

Mr. BURKHOLDER: I am now referring back to nearly twenty years ago, back to 1916, from then up to the present time. In 1916 the Americans first started to dress and dye the Alaska seal skins, and from that time on the prices of Alaska seal skins have steadily fallen, except during periods of inflation and depression, which are world conditions.

Hon. Mr. TAYLOR: Has there been any over-production, Mr. Burkholder?

Mr. BURKHOLDER: Overproduction of skins that were not marketable, yes.

Hon. Mr. TAYLOR: I mean of the killing. Has the killing on the islands been more than the trade could take?

Mr. BURKHOLDER: Yes, because the article was not acceptable to the trade. If a Hudson Seal coat sold for \$250 ten years ago and an Alaska Seal coat was selling for \$1,000, there is no reason why an Alaska Seal coat should come down to the level of a Hudson Seal coat, if it was as marketable an article.

Hon. Mr. TAYLOR: Before the arrangement was made with the Fouke Company, how were the seal skins handled? Were they all handled in England, or were some handled in the United States and Canada?

Mr. BURKHOLDER: There was no dressing of seal skins in the United States prior to 1916; they were dressed in England, and some were dressed on the continent.

Hon. Mr. TAYLOR: How were they sold?

Mr. BURKHOLDER: By auction—either raw or dressed and dyed.

Hon. Mr. TAYLOR: On account of—

Mr. BURKHOLDER: Of the owners.

Hon. Mr. TAYLOR: But had the owners any organization?

Mr. BURKHOLDER: No. It was pelagic sealing at that time.

Hon. Mr. TAYLOR: They had no central selling agency or anything like that? How did the skins get to England?

Mr. BURKHOLDER: They were taken by independent sealers on the coast and in the Bering sea and salted, and they shipped them straight to England and sold them to dealers in raw furs in England. The dealers in raw furs had them dressed and dyed, and they were offered to the public through auction sales and public sales.

Hon. Mr. TAYLOR: The big sales firm was Lampson's, was it not?

Mr. BURKHOLDER: Lampson's have sold seal skins, but they are dealers and traders in raw and dressed furs. All the dealers and traders in raw and dressed furs in England would sell seal skins, if they had an opportunity. There was no particular house which had any complete control, such as there is in the United States to-day, where the Fouke Fur Company of St. Louis have absolute control over the sale of seal skins.

Hon. Mr. TAYLOR: If you wanted seal skins to fill an order during that period, where would you get them?

Mr. BURKHOLDER: During what period, sir?

Hon. Mr. TAYLOR: Before this fur company had a contract to sell them?

Mr. BURKHOLDER: Either Poland's or Lampson's or any of the large fur merchants in London. There was no closed corporation or combine, in those days.

The CHAIRMAN: On what do you base your statement that the American dressing and dyeing is inferior to the English?

Mr. BURKHOLDER: On actual experience, sir.

The CHAIRMAN: In what way?

Mr. BURKHOLDER: In my handling of seal skins, which goes back thirty-six years. I have never yet manufactured an American dressed and dyed seal which has been equal to the English dressed and dyed seal that I have manufactured.

The CHAIRMAN: Do you mean the American processed skin is **not as** durable?

Mr. BURKHOLDER: To support my statement I have here the opinion of Mr. F. R. Poland, of P. R. Poland & Son, dealers in raw and dressed furs, London, England, as expressed in evidence taken before Hubert Hull, of London, England,

on the 23rd of July, 1933, for the Supreme Court of Ontario. He was asked this question:—

Q. As a matter of fact, is it not your opinion that furs processed in London, England, either by George Rice, Ltd., or by C. W. Martin are superior to furs which are processed and dyed in St. Louis?

And his answer was:—

A. Yes; I will put it in this way if I may: If you gave skins, which were the same in the raw or salted state, to be processed either in St. Louis or London, I believe that those processed in London would eventually come out better in quality than the same quality skin processed in St. Louis.

The CHAIRMAN: I understand you have a statement in front of you. If you would read it we might get along a little more expeditiously.

Mr. BURKHOLDER: If there is anything I should happen to speak of that is not of interest, I wish you would stop me, sir. I have already spoken of sales and prices, and of dressing.

My personal experience in the manufacture of Alaska seal coats dressed and dyed by the American process enables me to say that I have never yet handled or manufactured a seal skin dressed and dyed in the United States that would compare with the seal skins as dressed and dyed in England. How do they differ in quality? First of all, the density of fur in the American processed skin is not sufficient to maintain that plush-like appearance so notable in the English dressed and dyed skins. The result is that whereas the fur in a garment runs up—you understand, gentlemen, seal runs up—its fineness permits it to fall back, creating a sheen effect rather than a plush-like appearance. I am speaking now of the American dressed and dyed skins. The fineness of the fur permits it to fall back, creating a sheen effect rather than a plush-like appearance, and because of this fineness of fur the garment is not so durable. What is more, the pelt of the American dressed and dyed skin is more leathery. It does not lend itself to soft lines, but becomes firmer and stiffer in the process of manufacture, and this is a great disadvantage, especially in this period of overly large drapy sleeves. And what is more, the same number of American dressed and dyed skins required to make a garment, weigh one-and-one-eighth pounds more than the English dressed and dyed skins, which is a great credit and advantage to the English process.

These figures and facts are based on my experience with an average lot of skins. If it would be of interest I could show you two skins of the same value, one American dressed and dyed and the other English dressed and dyed. I asked my stockroom clerk to bring me two skins of the same value. There was no selection of them whatever, they were just picked at random.

The CHAIRMAN: I think it would be interesting to see them.

Mr. BURKHOLDER: Here are the two skins, one dressed and dyed in England and the other in the United States.

The CHAIRMAN: These skins were not selected by you at all?

Mr. BURKHOLDER: Absolutely not, sir. I simply asked my stockroom clerk this morning for two skins of the same value out of my stockroom.

The CHAIRMAN: Do you consider that in Canada we have suffered a loss by reason of the skins being processed in the United States rather than in Great Britain?

Mr. BURKHOLDER: Unquestionably, sir.

The CHAIRMAN: To what extent?

Mr. BURKHOLDER: It would be difficult to state to what extent. I imagine it would run into millions of dollars.



The CHAIRMAN: We had some evidence at an earlier meeting of the Committee that one year—I do not recall when—sealskins were selling higher in St. Louis than in London. How do you account for that?

Mr. BURKHOLDER: Were those Alaska or Cape Hope skins?

The CHAIRMAN: I understood they were Alaska skins.

Mr. FOUND: If you will allow me, Mr. Chairman. They were Japanese skins, but they were similar to the Alaska, having been taken on the Japanese Island on the other side. It is the same seal herd.

Mr. BURKHOLDER: That might easily happen, sir.

The CHAIRMAN: It was a very marked difference, nearly double, if I remember rightly.

Mr. BURKHOLDER: The South African Government sent to England a number of Cape Hope sealskins to be sold. They the South African government, also were prevailed upon by American interests to send a parcel to the United States and have them sold at open auction. The understanding was that the firm that got the best price would secure the business. The American sale took place some weeks after the English sale. It was a very simple matter to run the fur sale of a few skins up above the price of the English skins at an open auction bidding. The Americans got the business.

Hon. Mr. KING: You buy skins at these auctions, or do you buy after the auction sales?

Mr. BURKHOLDER: The skins I have been handling I have bought from the natives on the Coast, but the American skins I have bought through dealers in St. Louis. They buy them from the auction company.

Hon. Mr. KING: Is there any difference in price—do American skins of equal size and quality bring as big a price on the market as the English-dressed skins?

Mr. BURKHOLDER: The first time in a great number of years that English-dressed and dyed skins were put on the market they sold 30 per cent higher than comparative skins sold at the previous American sale.

Hon. Mr. KING: I understand the furs might not sell as well, but to-day if you were going on the market to buy would you give a higher price for the English skin?

Mr. BURKHOLDER: Undoubtedly.

The CHAIRMAN: I understand that for some years more sealskins were sold in St. Louis than in London.

Mr. BURKHOLDER: Yes.

The CHAIRMAN: So it was not just a few skins that were elevated in price.

Mr. BURKHOLDER: Oh no.

The CHAIRMAN: The whole market was a larger market in St. Louis than in London.

Mr. BURKHOLDER: Buyers will go to St. Louis from all parts of the world, just as they will go to Montreal for silver fox skins. I do not go to St. Louis myself to buy, yet I have an agent in St. Louis who buys for me.

The CHAIRMAN: But for some years a larger quantity of seal furs was sold in St. Louis than in London at higher rates? That is the point.

Mr. BURKHOLDER: Prior to 1911?

The CHAIRMAN: What year would that be Mr. Found?

Mr. FOUND: Sales in the United States began in 1916, speaking from memory—possibly in 1915 in a small way. From 1916—of course war conditions were on—St. Louis rapidly became—I think two of the furriers here will bear me out—the biggest fur market in the world not only for seal furs, but

for furs generally. Prices ranged high. It is a matter of record as to what the fur sales brought at St. Louis and in London. There were several other rookeries shipping to Great Britain. The only answer as to difference in price is that they were different skins. The only skins that would properly compare with the Alaska are the Russian and the Japanese.

Mr. BURKHOLDER: The Cape Hope skins are not of the quality of the Alaska skins. There is no other reason than that the Americans had control of the larger number.

Hon. Mr. TAYLOR: The English market practically disappeared, did it not, after the contract was made?

Mr. BURKHOLDER: It need not have disappeared after the contract was made, but I must say that I think, having taken advantage of a gentleman's agreement, the Americans proceeded to dress and dye skins in the United States, and absolutely killed the English dressing and dyeing industry, because they would not let them have a skin. There is nothing in the treaty to say the skins shall be sold, dressed and dyed; it simply says they shall be sold at the same price as they are sold in London.

I have a memo. on that:

The Americans, realizing that there were no specific terms in the Treaty stating under what conditions the sales would be made, took advantage of the agreement and Col. P. B. Fouke, president of the Fouke Fur Company, and other characters in it, including Charles Nagle and William Redfield, who, as you may remember, were sometimes Secretary of Commerce. Col. Fouke pleaded that it was an economical fallacy to ship the undyed skins to London and then import them back into the United States.

To this logical complaint Secretary of Commerce and Labour Nagle (and later Secretary of Commerce Redfield) lent attentive and sympathetic ear.

Not only is Col. Fouke head of the Fouke Fur Company (which charges \$4.50 more per skin for dressing and dyeing the skins than the English companies do) but he is also head of the St. Louis Fur Auction Company (who receive a commission for the handling of the Alaska Sealskins from the United States Government and all contracting parties).

Now, they did injure and absolutely eliminate the dressing and dyeing of sealskins in England as far as the Rice Company was concerned, because they the Rice Company could not get the skins to dress and dye. They could not get them in the raw, and I do not think it was ever the intention of the gentlemen who drew up that treaty that that condition should ever prevail.

The result was the skins were very unsatisfactory. In fact Mr. Joseph Ullman, Jr., a large manufacturer in New York City, headed a deputation of retail fur merchants to Washington. They pleaded with the authorities that they be allowed to secure the skins in the raw, that they might send them to England to be dressed and dyed, but they were told that nothing could be done about it as an agreement had been made with the American dressers and dyers that could not be broken. Members of the deputation said that the American product was absolutely unfit for their requirements. As I say, they were sent back home. A close corporation was in control, and nothing could be done.

We know that Col. Fouke entered into secret negotiations with some of the expert workmen of George Rice and Sons of London, England, who were considered the best dyers of seal skins in the world. He prevailed upon them to go to St. Louis to establish this fur-dressing and dyeing industry.

This caused Mr. Rice to enter into litigation with the Fouke Fur Dyeing Company, and it took eight years to terminate that court matter, in which Mr. Rice received damages and the Fouke Fur Company were no longer allowed to call the processing of their skins the Rice process.

You can plainly see that the Americans, not having any process of their own, had to establish some process and endeavoured to copy the Rice process, in which they were not successful.

They have improved greatly in their work, and to-day they are turning out a very nice skin, but not consistently. Last year large portions of the skins were grease-burned, which caused big losses to all the contracting parties.

Grease-burned means that the skins have been injured by improper handling. The trouble might start at the rookeries, because in a report under the head of "The Fur Seals and other life in the Pribilof Islands Alaska in 1914" by W. H. Osgoode, E. A. Prebble, G. H. Parker, published in the Department of Commerce Bulletin of the United States Bureau of Fisheries, there is the following at page 85:

#### DRIVING SEALS TO SLAUGHTER

The Seals are forced to carry their skins and meat and most of the butchering is done close to the villages. Furthermore, the seals are driven distances varying from one to several miles, involving much delay and the possibility of injury and overheating. Under this method no killing can be done on warm days, etc. On many other occasions, drives have to be abandoned before the killing grounds are reached because of sun and lack of moisture.

So at the very beginning of the killing a skin may be injured.

The CHAIRMAN: Should skins like that be discarded?

Mr. BURKHOLDER: It is impossible to tell at that time whether they have been injured or not. ▲

The CHAIRMAN: Can this process in England, which you say is superior to the American, bring back the skin to its original condition?

Mr. BURKHOLDER: No, sir, not if the skin has been overheated at that time.

The CHAIRMAN: The killing would be as fair to one as to the other in that respect?

Mr. BURKHOLDER: Except that the method could be improved on if, instead of driving the seals, they were killed on the spot. Then again, the handling might be the cause of the skins being burned, they might not be sufficiently well salted, they might be carried under heated conditions, which would cause them to heat while in transit, or they might be allowed to lie too long in the salt bins of the St. Louis Auction Company before they were properly handled—overheating the skins while in process of dressing and dyeing.

We have a report somewhere in which the St. Louis Fur Dressing and Dyeing Company make the statement that the reason there were so many black skins injured last season was because of the heat of the summer. In other words, they blamed climatic conditions for their failure to turn out a perfect article.

The CHAIRMAN: Which means they have not been properly stored.

Mr. BURKHOLDER: There is some reason for that.

The CHAIRMAN: Are there any other points in your statement that you would like to refer to?

Mr. BURKHOLDER: The study of this question first came to my attention in 1930. On December 12 I wrote to a fur magazine in London called the Fur Record, and I brought to their attention the fact that the English dressers and dyers were losing an opportunity by not having the treaty repealed. On the 28th of December Mr. Bernard Brunton, Managing Director of C. W. Martin Company, Limited, London, England, the largest dressers and dyers of skins in the British Empire, visited me in my office, and the matter of seal skins came up.



I understood that he was in Canada at that time negotiating for a supply of raw seals. Mr. Brunton told me that if he could get the Canadian seals to dress and dye he would establish a plant in Canada. I do not know whether the firm would be prepared to do that now or not.

The CHAIRMAN: To establish a branch here?

Mr. BURKHOLDER: A dressing and dyeing plant in Canada.

Hon. Mr. TAYLOR: What was his experience?

Mr. BURKHOLDER: They are now dressing and dyeing Canadian Government skins in England, sir. That, of course, would create a new industry entirely, and would bring the people interested in Alaska seals to Canada to buy them. Sales could be held in Canada, just the same as we carry on our silver fox sales. People come from all over the world to buy silver foxes. They should come from all over the world to buy Alaska seals.

I do not know that there is anything else I can add to this statement. I have exhibits here which cover any statement which I have made, if any of the gentlemen care to see them.

The CHAIRMAN: What the Martin Company wished was a modification of the treaty so that the skins instead of going to Britain or to St. Louis, would come here?

Mr. BURKHOLDER: A modification of the treaty, which I believed was possible after a term of years.

The CHAIRMAN: I should think that would be possible now, after fifteen years.

Mr. BURKHOLDER: Yes.

Hon. Mr. TAYLOR: As to the possible profits of the industry to Canada or to the British Empire, is it not a fact that we have virtually lost the whole processing industry by reason of its transfer from England to the United States?

Mr. BURKHOLDER: In the first place, they charge \$4.50 more in the United States for processing; in the second place, it costs more money to ship skins by rail from Seattle to Washington and back than to ship them to England by boat; in the third place you have to pay the auction company a commission for handling the skins.

Hon. Mr. TAYLOR: Have you figured the total expense per skin now, as charged against the sale?

Mr. BURKHOLDER: The last purchase I made of American skins was a little over a year ago, and those skins cost me \$13 apiece more than the English dressed and dyed skins. Of course, I will say that I bought my skins privately from the Coast. No doubt that was below the market. Nevertheless, it was my privilege.

Hon. Mr. TAYLOR: Speaking from memory, the expenses charged per skin by the United States Government, under their accounting with Canada, are \$13 a skin, to be deducted from the auction results at St. Louis. How much of that \$13 would have remained in the British Empire if we had continued to handle our skins from London instead of from St. Louis?

Mr. BURKHOLDER: Well, all of it, sir.

Hon. Mr. TAYLOR: So we lost \$13 a skin by changing the centre from London to St. Louis?

Mr. BURKHOLDER: As an Empire, yes.

Hon. Mr. TAYLOR: If \$13 is the correct figure, I think it is.

Mr. BURKHOLDER: I don't know the figure.

The CHAIRMAN: You mean expenses?

Hon. Mr. TAYLOR: Yes, expenses. That would amount on the item sheet of statistics we have before us to \$5,000,000 over the period.

The CHAIRMAN: That is since 1916?

Hon. Mr. TAYLOR: Yes.

Hon. Mr. TANNER: How do you make up that \$5,000,000?

Hon. Mr. TAYLOR: They charge us \$13 per skin for selling them at St. Louis. The total expenses charged on the sales were \$5,703,084 for 585,000 skins. They received from the sales an average of \$29 per skin, and charged \$13 expenses.

Hon. Mr. TANNER: In one year?

Hon. Mr. TAYLOR: Oh, no. This is the whole period.

Hon. Mr. BOURQUE: Do you think this \$13 was an overcharge?

Mr. BURKHOLDER: I don't know what it was. I couldn't say.

Hon. Mr. BOURQUE: Would there be any way of finding out whether it was?

Mr. BURKHOLDER: I know they charge \$4.50 more for dressing than the English dressers and dyers.

The CHAIRMAN: Is there anything on which the English dressers and dyers charge more to put against that?

Mr. BURKHOLDER: No, sir. Before the treaty you could buy raw skins and have them dressed and dyed, but you cannot buy the American skins in the raw.

Hon. Mr. TAYLOR: May I ask, without desiring to go into retailing figures, what is the fair average value of a sealskin coat?

Mr. BURKHOLDER: To-day's price

Hon. Mr. TAYLOR: Yes. We used to call them thousand dollar coats. What are they now?

Mr. BURKHOLDER: \$350 will buy an excellent coat. That is higher than the average.

Hon. Mr. TAYLOR: How many skins does it take to make a coat?

Mr. BURKHOLDER: Between six and seven, depending on the size of the skins and the size of the garment.

Hon. Mr. TAYLOR: If you divided the total number of skins to which Canada was entitled by six or seven, and multiplied by \$300, you would get the value of the industry of Canada if you processed and sold them here instead of in the United States.

Mr. BURKHOLDER: You would have to sell them here.

Hon. Mr. McCORMICK: Can the skins be processed here in Canada?

Mr. BURKHOLDER: No, sir.

Hon. Mr. TAYLOR: On the point of the disappearance of the industry from the British Empire, is it not a fact that American trade boldly advertised a few years ago that no Alaska sealskins are now being processed in England.

Mr. BURKHOLDER: Oh, yes. That is true.

Hon. Mr. TAYLOR: So they made a boast of the disappearance of the industry from the British Empire.

Mr. BURKHOLDER: No doubt they accomplished that.

Hon. Mr. TAYLOR: That was publicly stated, it was advertised to the public.

The CHAIRMAN: What was the statement?

Hon. Mr. TAYLOR: That no Alaska sealskins had been processed in England for the past fifteen years.

Hon. Mr. BOURQUE: Is it true?

Hon. Mr. TAYLOR: Mr. Burkholder says it is.

Mr. BURKHOLDER: Here is a statement published in *Fortune Magazine*, in Washington, in 1933. Part of it is this:—

And the centre of the seal dyeing industry is at the Fouke Fur Company, 1328 South Kingshighway, St. Louis, Missouri. It was not, as we have said, always so. Before 1910 the centres of seal dyeing were in Paris, Leipzig and London, but principally in London, where a certain Mr. Rice had control of a secret process of dyeing. The hero of this story is Colonel P. B. Fouke, president of the Fouke Fur Company.

This is taken from the *Fortune Magazine*, under the heading "The Seal and the U.S. Treasury."

The CHAIRMAN: What do you say with regard to the prospects for an increasing demand for seal furs during the next few years?

Mr. BURKHOLDER: I think they are excellent. I said that in eighteen months we have manufactured and sold 51 coats.

The CHAIRMAN: How do you account for that?

Mr. BURKHOLDER: I have simply proceeded to merchandize them. I have acquainted my customers with the fact that I have them, and I have sold them.

The CHAIRMAN: Has it anything to do with the unpopularity of the near seal?

Mr. BURKHOLDER: The near seal is a rabbit. The Hudson seal is a very popular fur—the bread and butter article of the fur business—and it has so improved in the process of dressing and dyeing that it is difficult even now to get people to take the Alaska seal. The Hudson seal is durable, light and pliable, and quite inexpensive, but I see a big future for the Alaska seal trade.

The CHAIRMAN: The people that are buying these seal coats must be passing up the others.

Mr. BURKHOLDER: Muskrats, yes.

The CHAIRMAN: They must be going down and the seal coming up?

Mr. BURKHOLDER: No, sir. That is market conditions, general world conditions. For instance, last year we were paying from 60 to 93 cents for raw muskrat, and this year we had to pay from \$1.25 to \$1.78 for the same class of merchandise. Hudson seal coats sold at an average of \$50 higher this year than last year, and Alaska seal coats will also be higher.

The CHAIRMAN: What is the price of a good Hudson seal coat?

Mr. BURKHOLDER: \$250.

Hon. Mr. TANNER: Do you say that the demand for Alaska seal coats is increasing?

Mr. BURKHOLDER: Yes, sir.

Hon. Mr. TANNER: Why?

Mr. BURKHOLDER: In the last eighteen months I have sold fifty-eight coats, and in the preceding ten years I had not sold ten.

Hon. Mr. TANNER: In Canada?

Mr. BURKHOLDER: Right here in Ottawa. Any other merchant could do the same.

The CHAIRMAN: Of course, there was an excessively cold winter.

Mr. BURKHOLDER: Well, that helped some.

The CHAIRMAN: You sell directly?

Mr. BURKHOLDER: Yes, sir.



Hon. Mr. McCORMICK: Do you make an offer for the Canadian skins, either at the islands or in Canada?

Mr. BURKHOLDER: No. They are bought only through the agents in London.

Hon. Mr. TAYLOR: Have you attempted to buy them from the Canadian Government?

Mr. BURKHOLDER: No. I have bought Canadian Government skins, but through my agents in London.

The CHAIRMAN: You never tried to get them direct?

Mr. BURKHOLDER: No. I did mention to Mr. Found at one time—I do not know whether he recalls it or not—the possibility of getting a control of the Canadian seal skins, because I saw the future of it. But I was not able to finance it.

Hon. Mr. LITTLE: Mr. Chairman, there was a statement in Mr. Found's evidence which will probably offset what Mr. Burkholder has said, as I understand it, that it means practically a difference of \$13 a skin.

Mr. BURKHOLDER: I did not say that, sir. I think Senator Taylor said that.

Hon. Mr. TAYLOR: He said \$4.50 a skin.

Hon. Mr. LITTLE: That was all you could determine?

Mr. BURKHOLDER: Yes, sir.

Hon. Mr. LITTLE: In the Minutes of Evidence of the first sitting of the Committee, on April 24, there is this statement as made by Mr. Found:—

The situation under the treaty was, as I explained it to you, that we would have had to take delivery of our share of the skins at the islands. That would have meant sending a substantial, seaworthy vessel to the islands on a trip that would have taken quite a month, because there are no harbour facilities on the islands, and it would have been quite costly. There is the further difficulty that the treaty provides that Canada shall receive fifteen per cent in number and value; and to decide the fifteen per cent in value of the raw skins on the islands would not be a simple job for anybody. So, with the markets in St. Louis being highly attractive, and the United States having to send a vessel to the islands in any event, as its responsibility for the maintenance of the natives, the question was whether it would not be very much better business for Canada to arrange with the United States to sell its share of the skins with hers, and to account to Canada for fifteen per cent of the net proceeds. The matter was submitted to the Minister of the day, a man of recognized outstanding business ability, who, after consideration, approved of asking the United States if they would be agreeable to that method of handling our share of the skins. The question was dealt with through the usual diplomatic channels.

So apparently that difference in cost had been taken into consideration.

Hon. Mr. TAYLOR: Was there a market at all in St. Louis before the Fouke Fur Company was formed?

Mr. BURKHOLDER: No, sir, no market for seal skins.

Hon. Mr. TAYLOR: This statement of Mr. Found's says that the market in St. Louis was highly attractive.

Hon. Mr. LITTLE: But they had the benefit of a closed season, is that not correct, Mr. Found?

Mr. FOUND: Yes, sir. The fact is that in 1915 a contract was entered into with the Fouke Fur Company by the United States Government which owned all the skins except the fifteen per cent that she gave to Canada and the fifteen

per cent that she gave to Japan. So the United States Government contracted for the disposal of 70 per cent of the skins that were taken on the islands. That was the start of the building up of a demand in connection with a general fur business in St. Louis, and it rapidly came to be a very attractive market. If I may be permitted to do so, may I suggest that the Committee ascertain by evidence what the relative prices for fur skins were in St. Louis and London from 1914 to 1918, when the agreement was entered into that we should take fifteen per cent of the skins, and when Japan, probably for the same reasons that influenced us, agreed to the same thing.

Hon. Mr. TAYLOR: Of course, Mr. Chairman, Japan gets only about five per cent—

Mr. FOUND: Japan gets fifteen per cent of the skins, the same as we do.

Hon. Mr. TAYLOR: I was just advising the Chairman that Japan's total of the skins is only five per cent—

The CHAIRMAN: Japan gets fifteen per cent of the seals from the Pribilof Islands, the same as we do.

Mr. FOUND: And fifteen per cent from Russia. Each rookery owning country gives up thirty per cent, under the treaty.

Hon. Mr. TAYLOR: The point I am trying to make, of course, is the loss of the industry to Canada and the British Empire.

Mr. FOUND: But, Mr. Chairman, that was due to the contract made by the United States for disposing of its share, which was seventy per cent of the whole catch at the islands. And that enabled a market to be built up. I think it would be very interesting if the Committee could ascertain the relative prices for fur seal skins between the years 1914 and 1918.

The CHAIRMAN: We did refer to it at one time, but I think we did not go into it fully. We shall probably be having some evidence on it later.

Mr. FOUND: The skins from practically all the rookeries were being sent to the London markets. The United States sent all its skins there prior to 1912.

The CHAIRMAN: Mr. Burkholder, can you tell us anything with regard to those relative prices from 1914 to 1918 inclusive?

Mr. BURKHOLDER: No, sir. I have not got the figures before me and I would not dare to quote from memory. I might say that there were war conditions from 1914 to 1918. Certainly when the war broke out all merchandise dropped in price, and in 1918 all merchandise advanced in price. The skins may have been just as high at London as they were at St. Louis. I understand Senator Taylor was asking about the comparative market values in St. Louis and London from 1911 or prior to that. Of course, there was no market in St. Louis in 1911 or prior, and that is the date I had reference to when I spoke of there being no comparison.

Hon. Mr. McCORMICK: The market developed in the United States on account of the fact that they controlled seventy per cent of the catch?

Mr. BURKHOLDER: That they had a monopoly.

Hon. Mr. McCORMICK: And when they started killing they had to find some means of disposing of the skins either at home or abroad?

Mr. BURKHOLDER: Yes. They advertised throughout the world and brought the buyers from all over. They established a market, but in doing that they took it away from the English trade.

Hon. Mr. FOSTER: I suppose a certain amount of skilled labour is necessary in the processing of these skins?

Mr. BURKHOLDER: Yes sir. That is why there was litigation between the Fouke Company and Rice of London. The Rice firm have a more or less secret process, and the Fouke Company brought to the United States one of Rice's workmen. There was litigation which lasted eight years, and the result of it was that the Rice Company secured damages and the Fouke Fur Company were not allowed to use the name "Rice's Dye." A great deal of skill enters into the process. I understand the Fouke Company even brought over shiploads of water in endeavouring to perfect a process equal to the English process.

The CHAIRMAN: We get the same price for our seals that the Americans get?

Mr. BURKHOLDER: Oh yes.

The CHAIRMAN: So if there is any loss, the Americans suffer as well as we?

Mr. BURKHOLDER: The American people as a whole lost but some individual Americans profited.

Hon. Mr. FOSTER: When the arrangement was made to have the seal skins handled in the United States, were there skilled operators available in that country?

Mr. BURKHOLDER: Oh no.

Hon. Mr. FOSTER: Where did they get the necessary skilled labour?

Mr. BURKHOLDER: They managed to attract two expert men from Rice's of London. But the senior man, Mr. Lohn, who was Rice's head man, was not allowed to leave England, on account of war conditions. But they brought Mr. Lohn's son and another gentleman, for the purpose of developing the process at St. Louis.

Hon. Mr. FOSTER: But the results obtained at St. Louis were not as good as those obtained in England, in your opinion?

Mr. BURKHOLDER: Not as satisfactory.

Hon. Mr. McCORMICK: The price we obtain for our seals now is not a competitive one, it is just what the Americans want to give us. If the skins were sent to the Old Country, or some other place where auction sales are held, is there not a possibility that a larger price would be realized?

Mr. BURKHOLDER: Absolutely, sir. That is merchandising. Where there is competition you can get the best price.

Hon. Mr. LITTLE: But to do that we would have to take delivery of the seals at the islands, and this would mean sending a vessel there and also a Government inspector.

Mr. BURKHOLDER: Mr. Bernard Brunton, of C. W. Martin and Sons Limited, of London, told me that if it was necessary they would provide a man skilled in that kind of work. He told me that himself, so I do not think there would be any difficulty in securing a man of that type.

The CHAIRMAN: Senator Little is referring to the expense to Canada of sending a steamer out to the Pribilof Islands. That would mean a great deal of expense.

Hon. Mr. LITTLE: It has been pointed out that if we discontinued our present plan of taking fifteen per cent of the seals, we would have to take delivery of the skins at the islands, and that would involve a large cost. It has also been stated that the matter was considered by the Minister of the day, who came to the conclusion that the present method would bring the best net results.

Mr. BURKHOLDER: I do not doubt that. I notice they mention the fact that a steamer would have to be sent up there. Is it not true that a few years ago they took some Government steamers off the Pacific Coast because there was nothing for them to do?



The CHAIRMAN: That is another question.

Hon. Mr. FOSTER: I do not think a comparison of the cost would be hard to arrive at.

Mr. BURKHOLDER: I do not think the expense attached to that would be as great as the expense the Government have been put to by the falling price of the skins because they were not a marketable article.

Hon. Mr. FOSTER: Final results count.

The CHAIRMAN: The Committee are grateful to you, Mr. Burkholder, for the information you have furnished.

Now, Mr. Devlin, you have heard the opinion expressed by Mr. Burkholder. How do you agree with him in the main?

Mr. W. F. C. DEVLIN: The subject, sir, is a very considerable one indeed. Certain details have been touched on, but of course there are other details which affect all these points.

The CHAIRMAN: Make your own statement, Mr. Devlin, in regard to anything you wish to direct our attention to.

Mr. DEVLIN: The present Alaska seal herd is the last of the great seal herds. It is undoubtedly one of the greatest examples of the success of Government conservation and control over a natural resource that exists in the world to-day.

There are various matters to be taken into consideration with respect to handling the catch from the herd.

Many years ago the herd on the Pribilof Islands was estimated at about 4,000,000 seals. Through pelagic sealing it was reduced to something over 100,000 almost to extinction. Through Government conservation since 1911 the herd is now back to a million and a quarter, perhaps a million and a half. These are all familiar figures.

At the present time Alaska seal-skins are processed in London and St. Louis. In the trade Alaska sealskins mean skins taken on the Pribilof Islands under close Government supervision, and selected there. We sell both Alaska seal-skins processed in London and in St. Louis. The London processed Alaska seal has only recently come on the market. It is Government-stamped the same as the St. Louis skin. People have the choice now of buying Alaska sealskins dressed and dyed in London as well as in St. Louis.

As the herd migrates north and arrives at the Islands about this time, it goes past the coast of British Columbia, and there the natives under the treaty are allowed to go out in canoes and spear seals. The skins from those seals find their way to the market eventually. Those are classed in the trade as Northwest Coast seals, not as Alaska seals.

The conditions of taking the seals are different. On their way north perhaps 2,000 miles south of the Pribilof Islands they are taken in the open seas, so there is not the same opportunity of selection. Besides, in their swing around during the annual migration it has been some eight months since they have seen Alaska proper at all. Consequently the trade does not class the skins so taken as Alaska skins, there not being the same opportunity for selection. These skins are marketed in London, and always have been so far as I know. Last year, the year before and twenty years ago they were always available to anyone. It is a small haphazard catch, anyway, and is not of great importance.

The CHAIRMAN: Where are those skins usually shipped from?

Mr. DEVLIN: They will be brought into points on the British Columbia coast and sent largely to England, although some reach the St. Louis market.

When we consider that the Pribilof Islands herd consists of a million and a quarter animals, and that a certain number of the three-year old bachelor

seals having the firmest and thickest fur are segregated, and selections made from them to the extent of 50,000 skins, and then what are known as Alaska sealskins are selected from those skins, it will be seen what an opportunity there is for producing a very high average quality of fur from these Alaska sealskins. The other herds and catches are very small in comparison.

But that is a little apart from what we have been discussing. The fact is that Canada's percentage of Alaska sealskins is now processed in London. Therefore Alaska sealskins can, commencing only this year, be bought in London as well as St. Louis. The term "Alaska sealskin" not only means a locality of catch, but a standard of grade as well, because it is known as a selected article.

The pros and cons of handling these sealskins in St. Louis and in London are matters of detail. We are processing them in London now, and undoubtedly it is a very good thing, to test this market.

All skins classified and sold as "Alaska sealskins" have been sold after the processing. Of the 50,000 sealskins selected on the Pribilof Islands, even Canada's 8,000 out of that 50,000, not by any means are all those skins classified as "Alaska sealskins" because they have to be processed and selected after the processing has been finished.

In the raw you can select down to a fairly fine degree, but not so closely as you can select the finished article. Some skins with a few defects, yes, some skins not so heavy as others, yes, but no skins of really inferior quality have been classified as Alaska sealskins. That has been the custom not necessarily since 1911, but certainly throughout 1916, 1917 and 1918, and up to the present, when the skins began to be processed under this Government-controlled system. The term "Alaska sealskin" applies to a very high grade article.

In London, probably to test out the market, they have sold some of the Pribilof Island skins in the raw. It has been our recommendation that all skins sold as Alaska sealskins should be sold in the finished state. So it still will mean in London as high a grade and as fine a selection as it has meant since the processing came under Government control.

I hope these matters are of some interest.

The CHAIRMAN: What is the designation of the skin, considered a little inferior in grade to the Alaska?

Mr. DEVLIN: It has been stamped "genuine sealskin," but not "genuine Alaska sealskin." In St. Louis that is the way. In London these skins are stamped with the name of the dresser and dyer. Only in 1934 have we had skins from the Alaska Pribilof Islands "take" processed in London, and therefore only recently has there been a Government stamp used in London.

The other part of the catch that is taken from the Alaska seal herd as it migrates north is classed in the trade as Northwest Coast sealskin. The skins have been caught by the Indians, taken inland and sold. Some may be of fair quality, but the skins are not of the same high average, due to the fact that they cannot be selected in the same way, neither is there the quantity to select from. The number of skins caught has run from 1,500 to 2,100. The native handling is not nearly as good. I am giving not merely my own opinion, but the opinions of experts in London.

The CHAIRMAN: How do those skins rank with respect to the genuine sealskins and the Alaska sealskins, in between?

Mr. DEVLIN: "Genuine sealskin" has been used in St. Louis to stamp skins not of sufficiently high grade to be classified as Alaskas. These skins—well, they will be of inferior grade. Among your Northwest Coast skins you may have some good skins too, but the average is not as high.

The CHAIRMAN: But they would never go under the grade of genuine Alaska sealskins?

Mr. DEVLIN: Not in the trade.

As to the wisdom or otherwise of marketing through St. Louis, I think there are many things pro and con. As the treaty has worked out, no doubt there have been advantages and disadvantages though the operations have produced substantial results. We are now trying the London market, and I think we shall find it good. The London market has to be built up. The number of expert sealskin skin-dressers has to be increased there because of the fact that they have not been handling any large quantities. The process is fine. We have both the London and St. Louis dyes and both are very fine. Inasmuch as Canada's share of Alaska sealskins is already going to London to be processed now, it seems to me that that situation is settled for the time being while we are trying it out. Barring any better terms or arrangements we can make, we feel that our deal on the whole has been good—if our fifteen per cent of the skins can be bettered, that is a matter of negotiation by the Government, of course—but the fact that Canada's skins are being processed there gives us a chance to try the London dye.

The fluctuations in the price of sealskins are like the price fluctuations in everything else. They are not because of poor quality. Undoubtedly in St. Louis, before my memory is very active, perhaps, in the matter of sealskins, they had to experiment, as everybody else had to do. No doubt they made some mistakes and errors, and spoiled some sealskins; but in the last fifteen or more years they have produced an exceptionally fine result. In fact, the dyeing of sealskins has improved, because now you get a black that will stay black, not one that turns brown like they used to do.

In 1932 the price reached the low ebb, where there was nothing over and above the price of dressing and dyeing, and the Department took this opportunity to try a change.

May I ask, Mr. Chairman, if there is any thought—I hope this is not an improper question—if there is any thought of withdrawing from the Conservation Treaty, due either to the possibilities of its affecting fishing, or the fact that better terms are desired? If so, there are some things that could be brought out from the trade point of view.

The CHAIRMAN: I think it would be well to have that.

Mr. DEVLIN: My statement may have sounded more important than it really is. But in other words, if there was any danger of losing Government control—regardless of terms and details—over the seal herd, naturally we would bring everything to bear to show the Committee the value of the fur sealing industry.

The value, first of all, is in the possible net revenue. On the first sale in London, I understand, the net revenue to the Government, was somewhere between \$10 and \$11 per skin, and as the "take" on the islands increases, that should increase; and as business conditions improve it should bring up the price as well. So, from that point of view it is important. But it is of further importance because Canada is a centre of the fur trade, not only in the raw state, but in the manufactured state; and we like visitors to feel that they can get the very best furs here. Therefore we want very much to handle the Alaska seals.

The CHAIRMAN: What do you think of the prospective demand for seal furs.

Mr. DEVLIN: Sealskins of the best quality have been off the market for so long that the fashionable demand has only recently begun to be felt. We still have many people coming on our floors who do not know what we are talking about when we tell them of real sealskin. They do not know what it is. They are only becoming educated now. And whereas the North American continent



is the greatest market in the world for made up sealskins, inquiry is taking hold, and a demand is commencing in Europe as well. As people begin to get used to it, and find that it is not at the exorbitant price it used to be, and as they buy it and find it is a beautiful fur, and durable and gives good satisfaction, and is only a little more expensive than the muskrats and other furs that are processed by the seal process, the demand will undoubtedly increase. We have felt it ourselves.

Hon. Mr. KING: In other words, if the real seal is to be had and made available, it will not be displaced on the market by the so-called Hudson seal, or muskrat?

Mr. DEVLIN: No, sir. The sealskin, owing to lack of quantity, had been off the market for nearly twenty years. The "Hudson" seal, or the muskrat, has very much taken its place, and in greater quantity, because of the huge quantity of muskrats available in Canada that are of a sealing quality. If real sealskins come back in quantity the demand in Canada will be unlimited; also a lot will be sold for export. It will not hurt the demand for "Hudson" seal. Neither one will hurt the other. With our climate and better business conditions everything will be taken up.

The CHAIRMAN: There is a permanent future demand for sealskins?

Mr. DEVLIN: Unquestionably. It has been felt all along.

Again—if I may make this remark—supposing that for one reason or another we were to withdraw from this Conservation Treaty, and old pelagic sealing conditions were to come back, first of all we would not be the only ones to engage in it. Also, the quality would deteriorate at once, because pelagic sealing does not produce the same high average of skins. The pelagic sealers spear whatever puts its head above water. The seals are not in a compact herd; they are spread out over great portions of the ocean; and the American sealers would meet them first. Therefore you not only immediately affect your average quality, but you soon destroy the herd. Even if there were serious reasons for doing it, it would be a serious step to take to let anything occur which would stop the present increase.

Touching on prices for a moment, I may say that prices brought in St. Louis in the recent sales were higher than those in London; but we have no reason to feel discouraged by that, because the London market will be again built up; and with the stimulus of these Alaska sealskins newly on the market there will be a good demand. The figures that I have here—they are only approximate—show in London \$17 on the average; in St. Louis \$26 on the average. In St. Louis there were sold, I believe, the best part of 28,000 skins; in London we sold a little over a thousand. But we can build up that market.

The CHAIRMAN: That is the average price when?

Mr. DEVLIN: In April of this year.

Here is the comment of P. R. Poland, of London, whom we regard as one of the greatest sealskin authorities over there. It was the father of the present Poland who advised the British Government in the negotiation of the pelagic treaty. Mr. Poland says:—

The sale of Alaska seals took place this week, the first for over twenty years. The competition was keen, and though no high prices were realized for both dyed and salted skins, the results should be very satisfactory for the Canadian Government, on whose account the skins were sold.

They were buying both in the dressed and the raw state. We are strongly in favour of no seals being sold as "Alaska" seals in the raw state. You cannot grade them quite as finely.

Now, what will happen if we withdraw from this Conservation Treaty? Immediately, we go in for coastal sealing, pelagic sealing, I assume, and if the seals are to be reduced in number, the chances are pelagic sealing will kill them off more quickly.

The sealing that is done off the British Columbia Coast now is pelagic sealing. Here is Mr. Poland's evidence given in London last year, if I may pick out some of the salient points:—

Q. What does the term Alaska seal mean in the fur trade?—A. It denotes a superior class of seal and denotes a skin taken on the Pribilof Islands.

Q. In your experience as a fur dealer, have you ever heard anyone in the trade describe a Northwest Coast seal as an Alaska seal?—A. No.

Q. What would you say is the relative average quality of a batch of Alaska sealskins as compared with a batch of Northwest Coast sealskins?—A. The average quality of the Alaskas would be considerably better than the average quality of the Northwest Coast sealskins.

I am endeavouring to show that to go back to the pelagic conditions would immediately cause a lowering of the quality. Referring to the skins taken at sea he says:—

As they are taken at sea they cannot differentiate between the sexes, the size or the condition, whereas whatever skins are taken on the Islands are definitely selected; even the young bachelors are selected.

It is a little rough on the bachelors, but they are the ones from which the heaviest and sturdiest furs are taken.

And at another place he says:—

I have price currents of former years with me which I think will show over a number of years before the 1911 Treaty that the average price for Northwest Coast skins was, roughly speaking, about half that of Alaskan.

Those were skins taken off the fringe of the herd, taken under those conditions as compared with those taken on the islands. And he says that the value of the Northwest Coast skin was about half that of the Alaskan. So our revenues would also likely be affected.

The CHAIRMAN: I think the Committee are agreed that pelagic sealing is not as advisable as sealing on the islands.

Mr. DEVLIN: Coming once again to the main point, the return of Alaskan seal skins to the Canadian and other markets is a very important feature of the fur trade, a very important thing for Canada, not only from the point of view of the immediate net revenue the Government would get out of it but also because of the extra value that is added to the merchandise, as was mentioned by Senator McCormick, as it goes through various processes from the time it is a raw skin until it is offered as a garment on the retail market.

The CHAIRMAN: The Committee appreciates very much your coming here, Mr. Devlin. Your evidence has been most interesting and helpful.

Mr. DEVLIN: May I mention one other point? I saw it stated somewhere that seals go north along our coast and return south along our coast. As we understand it, that is not the case. The seals go north along our coast, then go over to the Pribilof Islands, and while it is not actually ascertained I believe that they follow a course down the coast of Asia, and then cut across. So that we do not have them attacking fish both on the way up and on the way down. I have here a chart showing in a rough way the seal migrations.

The Committee adjourned until Wednesday, May 30, at 11 a.m.

WEDNESDAY, May 30, 1934.

The CHAIRMAN: Gentlemen, I have received a supplementary statement from Mr. Devlin, who gave evidence here at our last meeting. It is in the form of a letter, addressed to myself. Is it your pleasure that I read it?

Some Hon. MEMBERS: Yes.

The CHAIRMAN: It reads as follows:—

### DEVLINS

THE R. J. DEVLIN CO. LIMITED—MANUFACTURERS OF FINE FURS

OTTAWA, CANADA, May 29th, 1934.

The Honourable H. H. HORSEY,  
Chairman, the Committee of the Senate on Sealing and Fisheries  
in Pacific Waters,

The Senate, Ottawa.

DEAR SENATOR HORSEY,—Considering the evidence given at the meeting of the Committee, of May 25th, on the matter of the value to Canada of the Pelagic or Conservation Treaty of 1911, I beg to advance the following further comments.

As the Committee is desirous of determining the value to Canada of the operations under this Treaty we must adhere to facts, because by them only, can your Committee arrive at a sound conclusion.

It is not a fact to say Canada has lost millions of dollars through its methods of operation under the treaty. Such a statement is inaccurate and extremely unfair to our Department of Fisheries. It is certainly not borne out by recent market reports. (See London Fur Brokers' comments enclosed).

The relative merits of the London or St. Louis dyes on Alaska Sealskins is not presently a point of issue. Commencing January of this year both London and St. Louis dyes have been available to trade and public, on Alaska Sealskins. Both give excellent results and the public is well served in either case.

The introduction of the matter of the few hundreds of skins taken pelagically by natives off the B.C. Coast appears entirely irrelevant.

No special privilege or opportunity is required to secure such skins, which have always been available through coastal dealers, at a very cheap price because they are a "run of mill" catch. According to terms of the treaty any special contract would be in violation thereof. The low regard in which such skins are held is shown in the comment of both London fur brokerage houses enclosed.

To return to such methods for the main fur seal catch would be unthinkable for it would mean at once the lowering of the grade, and ultimate destruction of this the last of the great Fur Seal herds.

As compared to the vast successful Governmental operations, of conservation and selection, some two thousand miles north and west on the Pribilof Islands, there is no connection whatsoever, except a comparison of the poorer results of the former with the magnificent results of the latter, to show the utter unwisdom of any suggestion of returning to pelagic coastal destructive sealing conditions.

Having discussed these various subjects with the more important factors in the fur trade in England, Canada, and in the United States, in the last year or so, I feel safe in stating that those are the views of the fur trade in general.



I have felt honoured over the privilege of being called before your honourable Committee to advance information on these subjects, and should anything further be required, I am at your convenience.

Yours faithfully,

W. F. C. DEVLIN,  
*President.*

THE R. J. DEVLIN CO. LTD.

Mr. W. A. FOUNO: Mr. Chairman, will you permit me to make one statement in connection with that letter? I have not read the evidence that Mr. Burkholder gave, but my understanding of it was that when he referred to the matter of millions of dollars he had reference not to the Canadian share of the seal skins but to the whole business. It would be manifestly incorrect if it was stated in connection with the Canadian end only, for during the whole period our entire share has amounted to only about 15,000 skins. In fairness to Mr. Burkholder, I think it should be explained that that is what he apparently had in mind.







THE SENATE OF CANADA



PROCEEDINGS

OF THE

SPECIAL COMMITTEE

ON

SEALING AND FISHERIES IN  
PACIFIC WATERS

No. 3

The Honourable H. H. Horsey, Chairman

WITNESSES:

Mr. W. A. Found, Deputy Minister of Fisheries (Recalled).

Mr. A. W. Neill, M.P.

Mr. F. O. Weeks, Chief Accountant, Department of Fisheries.

OTTAWA

J. O. PATENAUDE

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1934

## ORDER OF REFERENCE

*Extract from the Minutes of Proceedings of the Senate for the  
22nd March, 1934*

*Ordered*, That a Special Committee of the Senate be appointed to inquire into the results of existing treaties in connection with the administration of Canadian sealing and fishery interests in Pacific waters; with power to call for persons and papers and to take evidence under oath.

## MEMBERS OF THE COMMITTEE

The Honourable Senators: T. J. Bourque, W. E. Foster, H. H. Horsey, J. H. King, E. S. Little, L. Moraud, J. McCormick, A. D. McRae, J. E. Sinclair, C. E. Tanner and J. D. Taylor.

## MINUTES OF EVIDENCE

THE SENATE

WEDNESDAY, May 30, 1934.

The Special Committee on Sealing and Fishery interests in Pacific waters resumed this day at 11 o'clock a.m.

Hon. H. H. Horsey in the Chair.

Hon. Mr. McRAE: Mr. Chairman, I have been very much interested in the propagation of fish, particularly sporting fish, in our interior waters. This work is being undertaken by the provinces and by private individuals. I believe the Federal Government will come to it later. Probably the outstanding instance of this work is that accomplished by the Canadian National Railways at Jasper. For the information of the Committee I beg to submit some photographs and memoranda descriptive of this work. Later, if the Committee thought fit, the Canadian National Railways would be glad to send a man from Montreal to give first-hand information with regard to its efforts in this regard.

The CHAIRMAN: This is very valuable information. We will have the memoranda mimeographed for the convenience of members of the Committee. At our next sitting we can consider whether we will call the gentleman referred to.

We will now ask Mr. Found to continue his evidence. You were to secure, Mr. Found, some information for the Committee, first, with respect to the cost of the patrol of the seal herd, and, second, as to the cost of the fisheries in general.

Mr. FOUND: I have placed copies of the latter statement, Mr. Chairman, before the Committee.

(Statement filed).

So far as the cost that can be charged up against the pelagic sealing patrol is concerned it would be impossible to say with exactness that there is any particular charge. For instance, when our vessels go out on the West Coast they do not engage in any one particular job; they are there to protect the three-mile limit, to help other departments at times, such as the Post Office and Royal Canadian Mounted Police and to see to our own general work.

I have had an examination made of the daily reports for the past two years of each of the officers of the two boats, the *Malaspina* and the *Givenchy*, to see what they were doing.

The CHAIRMAN: Those are the two boats you have on the West Coast?

Mr. FOUND: The two boats that are doing that work. On ten days in April, 1932, the *Malaspina* was patrolling in the area through which the seals move, that is along the West Coast. On three of these days it was checking observance of the regulations by United States salmon trollers in the three-mile limit and in the Hecate Straits area; five days transporting and assisting four Royal Canadian Mounted Police with respect to immigration laws; one day searching for and towing missing Canadian salmon troller—owner lost overboard.

In May of that year that boat was eighteen days on the outside coast. During those eighteen days it was out searching for the missing United States halibut boat *Polaris*; one day taking over and towing disabled Canadian salmon



troller from United States coastguard *Snohomish*; five days transporting Supervisor of Fisheries on official inspection tour; seven days checking observance by foreign salmon trollers of three-mile limit, five of which days biological officer was on board for scientific data; the boat also picked up and towed to safety disabled United States salmon troller.

The CHAIRMAN: There is no record of specifically patrolling the seal herd?

Mr. FOUND: They were not doing so specifically. They were watching the seals in connection with the other things when on that coast. The nearest that could come to it would be if we were to take all the days they were out on that coast doing that work, as well as other work, and charge off the amount that would be charged up each of these boats at sea. On this basis the amount charged to the *Malaspina* in 1933 would be \$4,334.59, and to the *Givenchy* \$4,263.41, or a total for that year of \$8,598. The next year, without going into details, the total on the same basis would be \$11,926.48.

The CHAIRMAN: Was that for 1933?

Mr. FOUND: That is for the fiscal years 1932-33 and 1933-34.

Hon. Mr. McRAE: That would be an average of \$10,000 or thereabouts a year.

Mr. FOUND: Yes.

Hon. Mr. McRAE: You get the naval boats to do some work for you?

Mr. FOUND: I have asked them for a report, but I have not got it yet. When I told him what the committee wanted, he intimated that really it was just done as part of their work.

Hon. Mr. McRAE: Mr. Chairman, I take strong exception to that part of their work. We all know that boats standing out to sea in good and bad weather have to burn fuel. As I read the treaty, this work is not part of our obligation. Consequently we should not meddle in it. I suggest that we ask the Naval Officer to come here and present his log showing the number of days he has been on that work. It is purely gratuitous work on our part under the treaty, and I shall certainly ask the committee to consider whether that should not be discontinued in the future in view of the fact that it cost something and is not an obligation of ours.

Mr. FOUND: Mr. Chairman, what construction will be placed on Article VIII of the treaty?

All of the high contracting parties agree to co-operate with each other in taking such measures as may be appropriate and available for the purpose of preventing pelagic sealing in the prohibited area mentioned in Article I.

The CHAIRMAN: We take no other steps to prohibit pelagic sealing.

Mr. FOUND: Off our own coast—

Hon. Mr. McRAE: Oh, yes, we do.

Mr. FOUND: That is what I say—off our own coast.

Hon. Mr. McRAE: That is the enforcement of the treaty. What is the clause?

Mr. FOUND: Article VII provides for patrol in the special areas.

Hon. Mr. McRAE (reading):

It is agreed on the part of the United States, Japan and Russia—

Those are the three countries that own the herds that live and breed on their grounds.

It is agreed on the part of the United States, Japan and Russia that each respectively will maintain a guard or patrol in the waters frequented by the seal herd in the protection of which it is especially interested, so far as may be necessary for the enforcement of the foregoing provisions.

Hon. Mr. KING: That would be during the period of breeding, would it not?

Hon. Mr. McRAE: I think you have to read that into the treaty. Now, we are patrolling for the Americans. If we had the responsibility we would have to patrol for Japan and Russia as well. But Great Britain being left out of that—

Mr. FOUND: Are we not looking at the wrong angle? Will you look at Article IV of the treaty, which reserves to the native Indians along the coast the privilege of sealing under the original native conditions? Is it not our obligation to see that our Indians seal in accordance with those provisions, which are implemented by law? How are we going to do that unless we exercise some supervision over them when they are in the waters off our coast?

Hon. Mr. McRAE: You are going to do it just as you are doing now. You are dealing with the Indian when he comes in with his skins. If a skin has got a hole in it that shows that he shot it, and you have him arrested, and quite properly so. There are suits every year with the Indians. But you do not find those Indians on the high seas; I do not imagine you ever arrested an Indian on the high seas.

Mr. FOUND: We have on land. But if we withdraw all supervision over those Indians when they are at their sealing—keep in mind what the provision is:

It is further agreed that the provisions of this Convention shall not apply to Indians, Ainos, Aleuts, or other aborigines dwelling on the coast of the waters mentioned in Article I, who carry on pelagic sealing in canoes not transported by or used in connection with other vessels, and propelled entirely by oars, paddles, or sails, and manned by not more than five persons each, in the way hitherto practised and without the use of firearms; provided that such aborigines are not in the employment of other persons, or under contract to deliver the skins to any person.

Hon. Mr. McRAE: Quite so, but you do that with your coastwise guardians. You have your boats that are protecting the three-mile limit all the time, and they pick up the Indian when he comes in with his skins.

Mr. FOUND: That is precisely what we are doing with those vessels.

Hon. Mr. McRAE: You are not doing it with the naval vessels.

Here is the point I am getting at, Mr. Chairman. I am not criticizing Mr. Found or the Department at all. I am trying to see if we cannot save some money and help the industry. We certainly can save the cost of patrolling the deep sea, if I read the treaty aright. We have no responsibility there. We have the responsibility of protecting against the unlawful fishing of our Indians, but we do that from the coastwise service.

I should think Mr. Found's statement on this is quite complete, and if we can get, through the Naval Department, the log they keep, we can see what is the expense of this deep sea patrolling.

The CHAIRMAN: It looks to me as though it was going to be very difficult to get at the expense.

Hon. Mr. McRAE: We can get some guide. The point is that I do not think we have any interest in that.

The other question, with respect to the cost of the halibut treaty—

Mr. FOUND: That is all in this statement here, Mr. Chairman, on the second page, the cost having run from \$982.73 a year to, the largest sum, \$31,500; last year being \$24,902.89.

The CHAIRMAN: The fourth column.

Hon. Mr. McRAE: That brings up the question I brought up before. It is more expensive than I thought it would be. We are catching eighteen per cent of the halibut and we are paying half the expense. If we could get, through

revising the treaty, a 50-50 break with the United States in the fishing in the Hecate Straits, it would be a great thing for our fishermen, and there is much ground for justifying that. We catch practically nothing on the halibut banks west of Alaska.

Mr. FOUND: We have just one boat operating there.

Hon. Mr. McRAE: The Hecate Straits are on our own doorstep, and the catch by the Americans—have you the figures there?

Mr. FOUND: Yes, sir, they are all before you. Last year south of Cape Spencer, which embraces the Hecate Straits area in which that fleet operates, the catch was, by the United States, 15,937,000 pounds; by Canada, 7,742,000 pounds.

Hon. Mr. McRAE: One-third.

Mr. FOUND: One half of what the States took.

Hon. Mr. McRAE: It seems to me there are two or three things we might consider. I do not know what can be done, or whether anything can be done to help our fishermen with respect to participating in the fishing on the banks off Alaska. I doubt if anything practical can be done, but it does seem to me we could divide the Hecate Straits fishing 50-50. Then I should think in a new treaty we ought to get the cost pro-rated on the catch. That would not be unfair. Our fair share would be \$8,000.

The CHAIRMAN: How is it that our fishermen cannot go away out to the northwest, as well as the Americans?

Hon. Mr. McRAE: They have not got the boats. Efforts have been made to work out some financial arrangements for the fishermen, to enable them to get the necessary boats, but the difficulty is that Canadian-caught fish is subject to a duty on entering the United States.

Mr. FOUND: It is two cents now.

Hon. Mr. McRAE: But it seems to me it should be possible to work out a fifty-fifty arrangement with the United States.

Mr. FOUND: If Hecate strait were found to be Canadian territorial waters, we would have 100 per cent of the catch.

The CHAIRMAN: Have you any comment to make, Mr. Found, with regard to the contention that we might seek a revision of the arrangement with the United States, and a pro rata sharing of the expenses?

Mr. FOUND: I do not know how freely it would be safe for me to express my opinions, Mr. Chairman. In the first place, if Hecate strait were found to be Canadian territorial waters, the whole matter would be disposed of. In the second place, there is nothing in a physical sense to prevent our people expanding the fishery as much as they want to—it is a matter of markets. There is no question, in my judgment, that what prevents the Canadian fleet from surpassing the United States fleet is the fact that our fishermen have available to them a market of 10,000,000 people, whereas the American fishermen have available a market of 110,000,000 people, and a highly protected market. And that very fact means that the Canadian fishermen get less for their fish than they sell in Canada than they would if the duty were not in existence, because the export price fixes very largely the price that our fishermen receive.

The CHAIRMAN: If we were to seek to have the bonding privilege put off for a lowering of the tariff, that might be a method of approach.

Mr. FOUND: Mr. Chairman, may I speak off the record for a few minutes, without having my remarks taken down?

The CHAIRMAN: Yes.

Mr. Found makes a statement off the record.



Hon. Mr. McRAE: Mr. Chairman, reverting for a moment to the suggestion that we should endeavour to make a fifty-fifty deal in connection with the Hecate strait, I think it is clear that if we could make such a deal our fishermen would be helped at least to some extent. What percentage of our own catch do we consume in Canada, Mr. Found?

Mr. FOUND: You are speaking of the Pacific coast alone, I presume. We produced on the Pacific coast last year about 8,000,000 pounds and exported about 3,000,000 pounds.

Hon. Mr. McRAE: Our fishermen are not able to compete with the Americans, because the cost of our boats and gear is higher than the Americans have to pay. In our province there is a tax on oil—I think it is half a cent a gallon now.

The CHAIRMAN: Senator Taylor, have you any questions that you would like to put to Mr. Found with regard to the sealing interests?

Hon. Mr. TAYLOR: What I have in mind about sealing has to do with the financial statement. I understood the accountant was to be called.

The CHAIRMAN: The Chief Accountant of the Department of Fisheries is here.

Mr. FOUND: Are we leaving the halibut situation for good now, Mr. Chairman?

The CHAIRMAN: No, I think not. But it seems to me we ought to finish with sealing first.

Mr. FOUND: Thank you. There is something I want to say about halibut.

The CHAIRMAN: I have a communication here from Captain Spring, with regard to some claims—

Hon. Mr. TAYLOR: They are outside the reference to this Committee.

Mr. FOUND: Yes.

The CHAIRMAN: We received \$200,000 did we not, in payment of pelagic losses?

Mr. FOUND: That was for the compensation of fishermen who were put out of business by the Pelagic Sealing Treaty. Those claims to which you now have reference, Mr. Chairman, are what are known as *modus vivendi* claims, following a *modus vivendi* that was entered into between Great Britain and the United States in 1891, 1892 and 1893, long before there was a pelagic sealing treaty.

The CHAIRMAN: Great Britain was really acting for us.

Mr. FOUND: Great Britain considered all these claims. We can go into them all, if you wish, but it is really not a matter within the Canadian purview. If you wish me to state the matter briefly—

The CHAIRMAN: I do not know whether the members of the Committee would like to have a statement on this.

Hon. Mr. TAYLOR: It is outside our reference.

Hon. Mr. KING: I expected someone to ask the privilege of coming before this Committee on that question, because it is by no means a dead issue in the West. It is true the Government of Canada appointed a Commission to make awards and settlements, but there are contending parties that have never been satisfied. The question may be outside this reference.

Mr. FOUND: I think, sir, you are referring to the Paris Award claims. But these are the *modus vivendi* claims of 1891, an entirely different matter. With your permission I will tell the story briefly. Following the seizures of Canadian vessels in Bering sea, beyond three miles from land, some very keen diplomatic correspondence took place, which resulted in a *modus vivendi* that paved the

way for the arbitration of all these claims in 1893, thereby disposing of the whole question of unwarranted seizures by the United States Government.

In 1891 the British Government entered into an arrangement with the United States whereby it was agreed that killing seals on the Islands—I am speaking from long-range memory, Mr. Chairman—would be restricted to a limited number, I think 10,000, and that no pelagic sealing would be allowed by either the United States or Canada, both of which countries were engaging in it at that time, in the eastern half of the Bering Sea.

That *modus vivendi*, as it was called, was entered into in 1891 after the sealing fleet had sailed. When these Canadian vessels, which had equipped themselves for the usual season's sealing ending up in Bering Sea, found themselves prevented from going in there by United States and British cruisers, most of them were obliged to come home. That very fact caused some Canadian sealers to go across to the Pacific Coast and start pelagic sealing there.

The CHAIRMAN: But these claims, as I understand, have to do with 1892. These fishermen sailed again because they thought the *modus vivendi* was ended at that time.

Mr. FOUND: The *modus vivendi* was entered into on the 1st of June, 1891, for a year, which would expire at the end of the following May. These vessels which had sailed before the *modus vivendi* was entered into in 1891 put in claims, and the British Government paid them. I think they totalled about \$100,000. I am speaking from very long-range memory.

The *modus vivendi* was in effect until the end of May, 1892, and the fleet sailed in January of that year, as it usually did. Before the *modus vivendi* period expired it was renewed for the season 1892-93.

The CHAIRMAN: It was thought though that it would be ended at the end of the year and a treaty made.

Mr. FOUND: But what happened was that the *modus vivendi* was renewed. Canada received the claims, investigated them, and submitted them to Great Britain for consideration. Great Britain after very carefully considering the whole matter refused to accept responsibility for these claims.

The CHAIRMAN: That was for the 1892 claims?

Mr. FOUND: For the 1892 or 1893 claims.

The CHAIRMAN: Because they thought sufficient notice had been given?

Mr. FOUND: They said the *modus vivendi* was still on and the boats should have ascertained for themselves what was going to happen. The claims were forwarded by Canada to Great Britain, and Great Britain reconsidered them. On every occasion she has refused payment of them.

Hon. Mr. KING: Those are the Victoria cases which are outstanding, Mr. Found?

Mr. FOUND: There are very few of these. The other claims are the Paris Award claims. I believe those are the ones you have in mind.

The CHAIRMAN: I see Mr. Neill here. The Committee would like to have a brief statement from you, Mr. Neill.

Mr. A. W. NEILL (M.P. for Comox-Alberni): I am handicapped, Mr. Chairman, in that I am speaking from memory and have not my papers with me. However, I have a fair recollection of the subject.

The CHAIRMAN: Would this statement which you sent to me be of any use to you?

Mr. NEILL: Yes. I made a full statement in the House of Commons in 1931, and it will be found in Hansard for that year.

Dealing with the immediate subject, I think it would be better for the Committee not to take up specific cases, as Mr. Found has tried to do, for that involves dealing with evidence that is not fully before us. I prefer to deal with the matter generally.

The large sum referred to was advanced by the United States to compensate sealers who were put out of business by the treaty which prevented pelagic sealing.

Mr. Justice Audette, of the Exchequer Court, was appointed a special commissioner to inquire into certain claims for compensation. His hands were tied before he started; his jurisdiction was limited. He was told to confine himself to one small section, not to take in the whole horizon. In other words, he was to limit his inquiries to claims of one small class; whereas there were something like six different classes. The other classes were simply put out of court.

Mr. Found has been talking of Canada investigating cases. Canada never did investigate them.

Spring's case is only one of five or six cases such as Senator King referred to. The other ones originated later on.

As regard Spring's case, Mr. Found said that Canada investigated the circumstances and handed over this and other cases to Great Britain, and that Great Britain refused on the second occasion to pay any claims because sufficient notice had been given to the claimants of the renewal of the *modus vivendi*. All I can say is that with Britain's reputation for fair play, Canadian officials could not have put the case up properly to Great Britain.

It is very plain what happened. Britain made this *modus vivendi*, to expire in May, 1892. She made it after our ships had gone up to the Behring Sea. Consequently when our ships were excluded from Behring Sea they felt they had a grievance. Britain, with her usual liberality, said, "Yes, we are responsible." Thereupon she did pay those claims.

In 1892 apparently it was thought that the Paris Award would do away with the need of the *modus vivendi* being renewed; but negotiations dragged along and it was found necessary to renew it. In March a notice was posted up in the Customs Office in Victoria to say that the *modus vivendi* would be in force for another year. Therefore our men were supposed to have had notice that they could not go into Behring Sea that year when they reached there about the first of June.

The English legal mind, unhampered by the facts, would think that our men had ample notice of the renewal of the *modus vivendi*, and therefore Great Britain said, "If you think your sealing boats have suffered an injustice, it is up to you to look after them anyway. You have the money, and we paid it without acknowledging any responsibility at all."

But at that time the sealing fleet had two bases. The boats did start out from Victoria, where they laid up all winter. They would go down away below the California coast and pick up the seal herd there on its passage northward. They preyed upon the herd all the way up. I think the close season was between April and June. The next time the herd is attackable is in Behring Sea. Very often the schooners made just one voyage. Sometimes they did come into Victoria to refit, sometimes they did not. Perhaps they put into American ports and landed their skins.

In 1892 those men had to decide in January or very early in February what they were going to do. Mr. Found said they should have ascertained what was going to happen at the end of May. Who could do that? They had to make up their minds in January whether or not the *modus vivendi* would be renewed in May. There was no reason to think it would be renewed; the indications were entirely the other way. It was fully anticipated that the Paris Treaty would supersede the *modus vivendi*. In short, they were supposed to have foreseen that



the *modus vivendi* was going to be renewed. On the other hand, if they had said, "We will not go out to Behring Sea this year, the *modus vivendi* may be renewed before May," and if the *modus vivendi* had not been renewed, what would have been the answer of the Government? It would have been simply this, "You had no reason to assume we were going to do anything of the kind. The agreement ran out in May, and you should have guided yourselves accordingly." That is really what the men did. They went to Behring Sea. They were ordered out, or their boats were seized, and they lost heavily.

Mr. Spring and the others asked that they should be treated the same as those whose claims were recognized.

It is quite true that the British Government repudiated the suggestion, but I think this is because it was not properly informed on the facts. I suppose we cannot ask the British Government to pay these claims. It might be urged to do so as an act of charity. In any case the British Government paid liberally on the first occasion. Spring and his associates have never been heard on that basis. They were simply ruled out of court. If you look at the report of Mr. Justice Audette you will see that there were four or five classes of claims, and that he ruled out several classes as not coming within the scope of his Commission.

The CHAIRMAN: There was a restriction in that way.

Mr. NEILL: At any rate, his report sets out his commission very fully.

I might say a word or two about the men whom Senator King referred to. Undoubtedly they have a grievance. The sealing was dragging along, competition was keen and prices were going down. Too many seals were being caught. The British Government opened negotiations with the United States Government and very definite restrictions were imposed. One of the Paris awards put on restrictions that were almost prohibitive.

What happened was this. The better financially equipped companies stood the loss for a while, but one by one they began to go to the wall and the fleet dwindled. By and by the restriction imposed was so stringent that it almost put a stop to pelagic sealing. Of course ultimately the practice was prohibited. It may be asked how the men managed to continue sealing. They lived by poaching. Ostensibly they were to keep out of Bering Sea, but they would slip in and come out again before a British or American cutter could detect them. By poaching they managed to tide along. The men who honestly adhered to the law were put out of business because it was not economically possible for them to endure. Then, singularly enough, Commissioner Audette was instructed to deal only with those men who continued sealing up to 1911, the date of the treaty. The men who had gone in there and poached, wangled through—it was not all poaching, of course—they got their award; but the men who were pushed out of business eighteen months or two years before were never heard at all. The contention I put forward in the House of Commons has been advanced time and time again, and is embodied in this petition. Mr. Plunkett, the member of Parliament for Victoria, has taken it up in a series of questions recently, and I know he has been exerting pressure on the Government to have the matter investigated. It should be opened up and the men given a hearing. It would be impossible to argue the merits of each case. I am only trying to indicate the general lines on which these men of the several classes ask for a rehearing. Spring has been most insistent. He is a man who does not know when his case is lost, and he has presented a largely signed petition from time to time.

There was also an outfit called the Victoria Sealing Company which based its claim on not being permitted to come in because it had dropped out before the very last. These men feel that they didn't get a fair deal, and many others in British Columbia are of the same opinion.

All I would suggest is that the committee consider whether they can see their way clear to suggest that there should be an opening up of the matter to give these men a hearing. If they are not entitled to anything, well and good. There was a large sum advanced, and a very small sum paid out. It was earmarked. I suggest that the question might come within the cognizance of the committee as to whether or not they will make any recommendations. I am only speaking generally. I furnished the Chairman with the date of the Hansard when I brought it up in the House. I think it was 1931. Mr. Bennett said he would look into it, and later he advised me through his secretary that he had looked into it and was not disposed to reopen the matter. I also took it up with the late Government, and Mr. Lapointe gave me the same reply. I know it is a question each government fights shy of, because there is a lot of trouble and annoyance connected with it, and no particular advantage to the public, in a sense. But it is a question of importance to these men.

The CHAIRMAN: Thank you, Mr. Neill.

Hon. Mr. TANNER: Is this a matter that comes within the reference of this committee?

The CHAIRMAN: I think it is a little outside of our range, perhaps, but it might be something that we could hear.

Hon. Mr. TANNER: If we go into this we will have to get the records here.

The CHAIRMAN: It would be a court that would hear it.

Hon. Mr. TANNER: I do not think we have anything to do with it.

The CHAIRMAN: But we might refer to that statement and consider the question of whether we would advise a reopening.

Hon. Mr. TANNER: Mr. Neill is talking about a lot of things and there are records. We cannot decide anything without getting the records.

The CHAIRMAN: We could decide that the question be reopened. We have heard the statement. The committee can give consideration later on to the question of what they will do with regard to this statement.

We are now ready to proceed with the other matter of the pelagic sealing. We will have the accountant, Mr. F. O. Weeks.

Hon. Mr. TAYLOR: Mr. Weeks, you are familiar with this sheet?

Mr. WEEKS: Yes, sir.

Hon. Mr. TANNER: Is this the Accountant of the Department?

Hon. Mr. TAYLOR: Yes, the Accountant of the Fisheries Department.

Mr. Weeks, have you here a statement in connection with the expense charged for the sale of these seals, and the items making it up?

Mr. WEEKS: Yes, sir. I have here the statements which we received with the remittances for several years.

Hon. Mr. TAYLOR: I should like a sample statement. Would you read it?

Mr. WEEKS: Yes, sir. The first statement I have here is a statement of amounts due the Governments of the Dominion of Canada and of Japan, respectively, account special, sales on December 31, 1931, March 31, 1932, and June 3, 1932, and public auction sale on June 13, 1932, of fur seal-skins taken on the Pribilof Islands, Alaska. This is the statement received with remittance.

The sales consisted of:—

Skins taken in calendar year 1929, dressed, dyed and machined . . .	43
Skins taken in calendar year 1930, dressed, dyed and machined . . .	3,807
Skins taken in calendar year 1931, dressed, dyed and machined . . .	3,691
Total . . . . .	7,541

The CHAIRMAN: Why are they divided?

Mr. WEEKS: Because when the skins are sold they are not always sold the year they are taken, also so that a proper record can be kept of the skins.

Then, gross sales—

The CHAIRMAN: The number marketed in that time?

Mr. WEEKS: Yes, sir, at those three sales; the gross from those sales.

Gross Sales .. . . .	\$109,637 95
Less cash discounts allowed purchasers: 1 per cent on amounts aggregating \$98,678.05 .. . . .	986 78
	<hr/> \$108,651 17
Less commissions to selling agents $3\frac{1}{4}$ per cent on \$106,031.17 .. . . .	3,446 01
	<hr/> \$105,205 16
Net on sales .. . . .	

Against that we have deductions:—

Deductions—

Cost of dressing, dyeing and machining (under the terms of the contract the rate of \$12.50 applies to the first 35,000 skins of the take of each of the years 1929 and 1930 and to the first 25,000 skins of the take in 1931, and a rate of \$12.00 is charged on skins in excess of those numbers):

43 skins taken in 1929 at \$12.00 each .. . . .	\$ 516 00
3,332 skins taken in 1930 at \$12.50 each .. . . .	41,650 00
475 skins taken in 1930—no charge .. . . .	.....
3,691 skins taken in 1931 at \$12.50 each .. . . .	46,137 50
	<hr/> \$88,303 50

Then we have transportation between the Pribilof Islands, Alaska and St. Louis, Missouri. As a matter of fact, these are merely charges from Seattle, because there is no charge from the Pribilof Islands to Seattle.

43 skins taken in 1929 (these skins were shipped in 1930) at \$0.1080 each .. . . .	\$ 4.64
3,807 skins taken in 1930 at \$0.1080 each .. . . .	411 16
3,691 skins taken in 1931 at \$0.0989 each .. . . .	365 04
	<hr/> \$780 84
Total deductions .. . . .	\$89,084 34
Balance on which distribution is based .. . . .	16,120 82

That is the cost against gross sales, leaving the net. Then there is the distribution:—

United States' share, 70 per cent of \$16,120.82 .. . . .	\$11,284 58
Dominion of Canada's share, 15 per cent of \$16,120 82 .. . . .	2,418 12
Japan's share, 15 per cent of \$16,120.82 .. . . .	2,418 12
	<hr/> \$16,120 82

The CHAIRMAN: That is a fair sample of the statements you have had. How long have you been accountant, Mr. Weeks?

Mr. WEEKS: I have been in the accounting service twenty-six years this summer. I have been responsible for this only for the last year or so.

Hon. Mr. TAYLOR: That is a fair sample of the statements we have to deal with?

Mr. WEEKS: I have several samples here for several years back.

Hon. Mr. TAYLOR: I had in mind a peculiar reference in one of the American reports, that has a bearing on this. This is a report from Mr. O'Malley, Commissioner of Fisheries of the United States, to Herbert Hoover.

Hon. Mr. KING: What year?

Hon. Mr. TAYLOR: 1922. He says:

Under the contract with Fouke Fur Company for the dressing, dyeing and sale of the ful seal and fox skins from the Pribilof Islands, two public auction sales were held at St. Louis in the fiscal year 1922. A



total of 22,976 dressed, dyed and machined fur-seal skins were disposed of, and gross proceeds of the sales were \$722,060, net proceeds being \$313,492.33 after deduction of all expenses, including payments to Great Britain and Japan under the sealing convention of July 7, 1911.

I take it from what you say that that is not an item with which you are familiar at all?

Mr. WEEKS: I question that.

Hon. Mr. TAYLOR: I beg your pardon?

Mr. WEEKS: That reads as though the fifteen per cent were taken off.

Hon. Mr. TAYLOR: As if it were first charged as expenses, and then our fifteen per cent calculated on the seventy per cent.

Mr. WEEKS: That is not the case.

Hon. Mr. TAYLOR: Then this report is wrong?

Mr. WEEKS: I should not like to put myself in the position of saying that, but we have a record from the beginning, of the sealskins taken.

Hon. Mr. TAYLOR: Have you the record there for 1922 of the expenses charged?

Mr. WEEKS: I don't think so. My statement does not go back that far.

Hon. Mr. TAYLOR: The folio shows that our percentage was paid on what he says are the net proceeds. That is the amount on which we are paid. But he adds this unfortunate line:

After deduction of all expenses, including payments to Great Britain and Japan.

You think that is an error.

Mr. WEEKS: It is a question of opinion, but I am sure it is not the case.

Hon. Mr. TAYLOR: There is another item here.

Mr. FOUND: Mr. Chairman, will you permit me a question? Does not that say that that is the United States share after the fifteen per cent had been paid to each of those other two countries?

Hon. Mr. TAYLOR: I have made my statement and read the report, Mr. Chairman.

Another item, here, Mr. Weeks—

The CHAIRMAN: What year is that?

Hon. Mr. TAYLOR: The foot of the second column, "22,560 food skins sold in which Canada had no interest." Would it come under your ken as accountant, whether or not we had an interest in these 22,000 skins?

Mr. WEEKS: I am afraid not, but I would accept that statement.

Hon. Mr. TAYLOR: You would have to pass that item?

Mr. WEEKS: I accept that statement, yes, sir.

Hon. Mr. TAYLOR: You would accept it from whom?

Mr. WEEKS: Of course the figures we have we have taken from the reports of the American Bureau of Fisheries. I have one here for 1932. It is very complete. It gives the take and the disposal of the skins, and we accept that. It is a report made to Congress, and we accept that as the basis of our examination. In this report they do not give the expenses. We get the statement of expenses with the remittance, at a later date. It is from examination of these reports and the statements received with the money that we draw conclusions.

Hon. Mr. TAYLOR: But who would make a claim for these 22,000 skins? How would the claim come before you?

Mr. WEEKS: It would come before us in the reports from year to year as to the disposal of the skins.

Hon. Mr. TAYLOR: But as I read the treaty, no exemption is made in connection with the so-called food skins. What I wanted to find out is who introduced that feature into the accounting?

Mr. WEEKS: That is a thing I do not feel qualified to pass on, sir.

The CHAIRMAN: Are you referring to skins taken on the islands for food?

Hon. Mr. TAYLOR: No. The United States carry on a very extensive fox farm on the islands, and they kill a certain number of seals to provide food for those foxes. There was a time when they killed them out of season; and later, according to their reports, they got a refrigerator system so that they can keep the seal meat indefinitely and they are now able to confine their killing to the ordinary killing for the production of skins for sale. They make a statement every year of the profits of the fox farm, which are very substantial. For instance, in 1924 they were \$92,000; in 1925, \$50,000; in 1926, \$17,000; in 1927, \$24,000; in 1928-29, \$127,000; in 1930, \$36,000; in 1931, \$27,000; and in 1932, \$20,000. I have not got the figures for 1933. It will be seen that the arrangement is a very profitable one for the United States, and I should like to know why we deadheaded those skins, when the treaty gives us our percentage upon the total number of seal skins taken annually under the authority of the United States.

Mr. WEEKS: Article XI of the treaty says:—

... unless the killing of seals in such year or years shall have been absolutely prohibited by the United States for all purposes except to supply food, clothing, and boat skins for the natives on the islands, . . .

Hon. Mr. TAYLOR: That does not give them any exemption in the matter I have been talking about. That says they have to pay \$10,000 to Canada in lieu of any share of skins during every year when no killing is allowed except for supplying food, clothing and boat skins for the natives.

The CHAIRMAN: Perhaps Mr. Found will be able to give us a statement in connection with that.

Mr. WEEKS: He is better qualified than I am to speak on it, sir.

Hon. Mr. TAYLOR: That is all I have to ask on this question, Mr. Chairman.

Mr. WEEKS: I would like to put in as an exhibit that report of the United States Bureau of Fisheries for 1932.

(Report of United States Bureau of Fisheries for 1932 filed as an exhibit.)

The CHAIRMAN: We will recall Mr. Found.

Mr. Found, perhaps you can give us some explanation in connection with this matter of the so-called food skins.

Mr. Found: Mr. Chairman, that was covered in part in the statement of facts that I placed before the Committee on the first day I gave evidence. Unfortunately the adjournment came before I covered that and two or three other points which I would have liked to make more clear. Article XI of the treaty provides that we, as well as Japan, shall get 15 per cent of the skins taken on the islands, unless all killing is restricted to such numbers as are needed for food, clothing and boat skins for the natives on the islands. It will be recalled that I explained that when the enabling legislation was before the United States Congress in 1912, it provided a closed season for five years for all commercial killing on the islands. It was during that period that Canada was given for each year, as the treaty provides, \$10,000 as an advance payment. I do not know what very good object it served, as we paid interest on that advance and had to pay the money back. The payment applied to each year in which no killing was allowed, and we had no share in the skins that were taken during those five closed years. The statement that is before you shows

quite clearly that from the years 1912 to 1917 there was no commercial killing on the islands, the killing being restricted to the number that was needed for food, clothing and boat skins for the natives. It is these skins to which reference is made.

Hon. Mr. TAYLOR: I am referring to seals killed for feeding foxes, not for feeding the natives. The carcasses were fed to the foxes, but the skins were valuable.

Mr. FOUND: These skins were taken prior to August 17, 1917, sir, and you are speaking of 1922.

Hon. Mr. TAYLOR: Is the fox business being carried on there yet?

Mr. FOUND: Yes sir. The foxes are wild; they are not handled in a domesticated way. The food is left there for them.

Hon. Mr. TANNER: Are they fed seal meat?

Mr. FOUND: Yes, sir.

Hon. Mr. TANNER: Does the treaty provide that the United States can use seal meat for that purpose?

Mr. FOUND: The treaty makes no reference to it, except that they may kill seals during a closed season to the extent needed to supply food, clothing and boat skins to the natives themselves.

Hon. Mr. TAYLOR: What becomes of the skins?

Mr. FOUND: The skins in such times are the exclusive property of the United States Government, under the treaty.

Hon. Mr. TAYLOR: Not under the treaty.

Mr. FOUND: Yes, sir; under the treaty, Article XI. I submit that to any lawyer on the Committee.

The CHAIRMAN: Since 1917 there have been no such food skins?

Mr. FOUND: No, sir.

Hon. Mr. McRAE: When they are killing so many seals, why do they have to kill some for food and not account to us for the skins?

Mr. FOUND: That was only done there during the closed seasons, sir.

Hon. Mr. McRAE: All the seals migrate. None of them stay over the season, do they?

Mr. FOUND: No, sir.

Hon. Mr. McRAE: Thousands of carcasses are procured while the seals are there and being killed. When the seals go away—

Mr. FOUND: The meat is dried and preserved for the natives. The only time that the so-called food skins were taken was during the closed season when no commercial killing was allowed, from the 17th of August, 1912, to the 17th of August, 1917.

Hon. Mr. McRAE: They are still killing for fox food?

Mr. FOUND: They are killing now for commercial purposes, and there is a plethora, so they have to get rid of the carcasses.

Hon. Mr. TANNER: Has Canada any right to participate in the fox business?

Mr. FOUND: No sir.

The CHAIRMAN: What are the foxes fed on when the seals are out?

Mr. FOUND: They feed themselves. They are wild foxes.

Hon. Mr. McRAE: After the commercial killing is over, they still continue to kill?



Mr. FOUND: No sir. The killing is all stopped at a definite date on the islands. The skins of seals get, as it is called in the trade, stagey after the early part of August, and then all killing is stopped.

Hon. Mr. McRAE: But do they continue to kill them for the foxes?

Mr. FOUND: No sir.

Hon. Mr. McRAE: Why are any seals allocated for fox food when so many carcasses are available?

The CHAIRMAN: This was only done in years when commercial killing was stopped.

Hon. Mr. McRAE: No killing is being done for fox feeding now?

Mr. FOUND: Not since 1917.

Hon. Mr. McRAE: Does that agree with your records, Senator Taylor?

Hon. Mr. TAYLOR: This Article XI is quite plain. It has no reference whatever to liability for the foxes. It simply deals with the annual payment of \$10,000 that must be made to us for every year when no killing is allowed except for food, clothing and boat skins for the natives.

Hon. Mr. King: And that condition has not existed since 1917?

Hon. Mr. TAYLOR: It did not exist then.

Hon. Mr. KING: During the prohibited season.

Hon. Mr. TAYLOR: Yes, they paid us \$10,000 a year because they allowed no killing except for food. But that did not exempt them from paying us for the skins that were taken off the seals that were used to provide food.

Mr. FOUND: I submit there is nothing in the treaty that entitles us to anything in connection with the skins of the seals that were taken at that time. If there was, why was the payment of \$10,000 provided for?

Hon. Mr. TANNER: Why do you say it was provided?

Mr. FOUND: I do not know, really, because we had to pay it back, with interest.

Hon. Mr. TANNER: You do not want to construe it against Canada, do you?

Mr. FOUND: I would say this, that if we were making that treaty over again, that provision would not be in it if my advice were taken.

The CHAIRMAN: You do not know why it is there?

Mr. FOUND: No sir. I suppose it was never anticipated that there would be a closed season. The United States experts all advised against a closed season.

The CHAIRMAN: That was suddenly decided on.

Mr. FOUND: The second paragraph of Article XI reads as follows:

The United States further agrees that the British and Japanese shares respectively of the sealskins taken from the American herd under the terms of this Convention shall be not less than one thousand (1,000) each in any year even if such number is more than fifteen per cent (15 per cent) of the number to which the authorized killing is restricted in such year, unless the killing of seals in such year or years shall have been absolutely prohibited by the United States for all purposes except to supply food, clothing, and boat skins for the natives on the islands, . . .

I submit there is no doubt as to the meaning of those words. And it goes on: in which case the United States agrees to pay to Great Britain and to Japan each the sum of ten thousand dollars (\$10,000) annually in lieu of any share of skins during the years when no killing is allowed; . . .

Surely those words are specific. That is all we are entitled to.

Hon. Mr. TAYLOR: As I see it, this \$10,000 a year is simply in the nature of a loan, to be repaid in full. The Americans made no deduction from the payment they eventually took for those skins.

Mr. FOUND: That is a weakness in the treaty, Mr. Chairman.

The CHAIRMAN: Yes.

Hon. Mr. KING: Those seals have to pass along our coast. We agreed to cease pelagic sealing, and they agreed to give us a portion of the skins.

The CHAIRMAN: It is offset partially by allowing our Indians to take seals.

Hon. Mr. TAYLOR: It is a very handsome present, Senator King.

Hon. Mr. KING: Yes; but that is the treaty, I take it, as read.

The CHAIRMAN: Is there any further information the Department could give any member of the Committee?

Hon. Mr. KING: May I ask you this question, Mr. Found: In the event of a new treaty, should we be within our rights to indicate that we should have a share of the skins of the seals that are killed for food?

Mr. FOUND: Absolutely, sir.

Hon. Mr. KING: That is the point Senator Taylor has in mind.

Mr. FOUND: It is one that has not been overlooked, Mr. Chairman. The adjournment came before I had an opportunity to finish one or two points that I thought would be of interest to the Committee. I had hoped to embody them in the statement on the first day. One of the points has already been dealt with.

The CHAIRMAN: Go on.

Mr. FOUND: That is the statement made that the cost of the skins on the Islands was figured at \$2.50, and that we were paid only our proportion on that under the treaty. That has already been shown to be not the case, and I need not spend any further time on it.

There is no charge against us for any costs that are incurred on the Islands.

As to the temporary arrangement made in 1918, whereby we arranged for the United States to sell our share of the seal-skins with theirs, Japan having made a similar arrangement, I pointed out at the time that that was only temporary.

As time went on and the fur seal commodity business was centering itself more and more on St. Louis, we began to be apprehensive that it would not be a wise thing for an entire monopoly of the business to be centered there. Consequently as long ago as 1925 Canada raised the question as to the wisdom of having sales made in other places.

The desirability of co-operative selling of the skins is obvious. I think that has been made clear to the Committee, and I need not take up any more time on it. We had in mind the desirability of continuing that co-operative method of selling the skins, but to sell in the different markets any percentage that might be decided upon. We always had in mind that as Canada is one of the greatest markets for the finished product the time would come when we would have a market of our own in Montreal or in Toronto, and that there might be sales of skins there as well as in London, England.

The United States pointed out that the contract with the Fouke Fur Company lasted until 1931, and they would be prepared to consider the matter when that contract expired. In 1932 the United States, however, decided to renew the contract on what I think—I am speaking from memory—is an annual basis. They explained that they had tried very hard to develop a market in Europe for fur sealskins, but had met with very little encouragement. However, they came back with a very generous offer. They said in substance. If you wish

to try the latest possibilities of the London market, we will this year deliver your share to you at Seattle, and you can send the skins to London.

Hon. Mr. FOSTER: That is, your proportion.

Mr. FOUND: Yes, sir. The share numbered 8,183 skins. These we decided to send to London last year. The sales were arranged with Messrs. Lampson, the biggest dealers in skins. They handle the skins in conjunction with the two biggest dyers, Rice and Martin. Messrs. Lampson were very strongly of opinion that a certain number of skins should be offered for sale in a salted condition, as well as a reasonable proportion being offered dressed and dyed. It was decided to let them try out that method.

At the first sale in February 974 skins dressed and dyed and 2,078 salted skins were offered for sale. The dressed and dyed skins sold for an average of about 82 shillings. The net price to us after all our expenses were paid was about \$11. The salted skins sold for an average of about 32 shillings, or between \$8 and \$9. How these prices will compare with the St. Louis prices we shall not know until we are advised of the result of the May sales. I have not received the information yet, although the newspapers state the prices at the May sales were distinctly higher than at the sales in August of last year.

The CHAIRMAN: They did not sell all our skins?

Mr. FOUND: No. We insisted, in the light of the experience that we got considerably less for the salted skins, that at the May sales which took place a few weeks ago only dressed and dyed skins should be sold. The outcome of that sale has not been as encouraging as we had hoped. A day or two ago I got information through the Department of External Affairs that all the skins offered were not sold. But this is not a good time of the year for selling. We hope they will be sold later on.

This year the Government has already decided to continue to send our quota of skins to London. But the obvious advantages of selling co-operatively in different markets has, I think, got a great deal to be said for it.

The CHAIRMAN: You really won't know the difference between the two markets for some little time.

Mr. FOUND: We shall have the United States information shortly. Speaking from memory, the May sales in London were 78 shillings on an average as against 82 shillings in the previous sale.

It may interest the committee, in view of some information placed before it, to know that we ascertained that the purchase of the salted skins at the last London sale was quite largely by United States buyers.

The CHAIRMAN: To find their way back to St. Louis?

Mr. FOUND: Yes.

Hon. Mr. McRAE: What was the gross price of the salted skins in London?

Mr. FOUND: Thirty-two shillings

Hon. Mr. McRAE: Eight dollars.

Mr. FOUND: That would be about the average.

Hon. Mr. McRAE: You have about 8,000 skins?

Mr. FOUND: We have 8,183 skins.

Hon. Mr. McRAE: That would be a pretty satisfactory sale, would it not, \$8 per skin for that number?

Mr. FOUND: We made about \$11 net on our dressed and dyed skins.

Hon. Mr. McRAE: On the green skins, as we call them, if you got \$8 that would give a total of \$64,000, less some expenses. There would not be much expense on the green skins?

Mr. FOUND: No, sir.



The CHAIRMAN: Only freight and commission?

Mr. FOUND: Yes. The freight on our share last year from Seattle to London was about \$1,700.

Hon. Mr. McRAE: It looks as if it would give you a net of \$50,000, which is above the average.

Mr. FOUND: The trend is upward. Our average has been around there.

Hon. Mr. LITTLE: You sold the salted at \$8 and the dressed and dyed at \$11. What is the average cost of the dressing and dyeing?

Mr. FOUND: Those prices were net. The dressing and dyeing in London is on a somewhat different basis from that in St. Louis. It averages about \$8, depending on the size of the skin and the work to be done. Information was given the committee the other day that in the United States the cost was \$4 more. That was the case a few years ago. The recent contract between the United States Government and the Fouke Fur Company provides for a sliding scale.

The CHAIRMAN: Dressed and dyed skins sold for \$18 or \$19.

Mr. FOUND: Yes. The dressed and dyed skins sold at an average of 82 shillings. That would be about \$21 roughly. The present contract between the United States Government and the Fouke Fur Company provides that for the first 25,000 skins handled in any year the cost will be \$10.50; for the second 25,000, \$9.50; for the third 25,000, \$8.50; for the fourth 25,000, \$7.50. Prior to that time the general cost was from \$12 to \$12.50.

Hon. Mr. TAYLOR: Is it not surprising that the United States should make a contract of that kind after the treaty had run out? How were they so sure the treaty would be continued?

Mr. FOUND: As I understand, the last contract is on a yearly basis. The original contract was for a five-year basis, and then it was extended, I think, for ten years. The first contract was made in 1915 and, I think, ran out in 1921. Then a new contract was made for ten years. As I say, I think this last contract is on a yearly basis.

Hon. Mr. TAYLOR: It can be determined at any time?

Mr. FOUND: That is my understanding.

The committee adjourned until to-morrow morning at 11 o'clock.



THE SENATE OF CANADA



PROCEEDINGS

OF THE

SPECIAL COMMITTEE

ON

# SEALING AND FISHERIES IN PACIFIC WATERS

No. 4

The Honourable H. H. Horsey, Chairman

WITNESS:

Mr. W. A. Found, Deputy Minister of Fisheries (Recalled).

OTTAWA

J. O. PATENAUDE

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1934





## MINUTES OF EVIDENCE

THE SENATE,

THURSDAY, May 31, 1934.

The Special Committee on Sealing and Fishery interests in Pacific waters resumed this day at 11 o'clock a.m.

Hon. H. H. Horsey in the Chair.

The CHAIRMAN: Mr. Found, have you any further comments to make on the Halibut treaty?

Mr. FOUND: It might be of assistance to the Commission indeed and of value to the Committee if the Committee had a clear understanding of just what has been accomplished, without going into details, and the problems that now face it as a consequence.

As will have been noted by the Committee, since the regulations provided by the Commission, with the approval of the Governor General of Canada and the President of the United States, have become effective, what was a continuously declining fishery has given place to a continuously increasing fishery.

The CHAIRMAN: Since 1930?

Mr. FOUND: Yes. Up to that time it was under the old treaty a matter of investigation on which to base changes so as to give the Commission power to regulate.

Up to that time the Commission had power only to investigate.

The CHAIRMAN: As to a close season.

Mr. FOUND: The close season was part of the original treaty. As emphasized by Senator Taylor, it was regarded more as an economic factor than as a building up factor. I think it unnecessary to make more than that statement, because it was fully gone into when the original treaty was negotiated.

But the regulation of the fishery which began in the season of 1931 put an end to what had been practically a continuously declining fishery and established a fishery which has begun to show a trend in the opposite direction, and rather remarkably so. For instance, in the area operated by the British Columbia fleet last year the abundance of fish, as indicated by the catch per unit of gear, was about 50 per cent greater than it was prior to the regulations. Last year the Commission had to close down fishing long before the regular fishing season expired, as the limit of catch had been reached. The situation now is that if the fleet consistently and persistently operate it can land in five months the quantity of fish that the regulations permit to be taken.

Hon. Mr. McRAE: You are speaking of the area south of Cape Spencer?

Mr. FOUND: Mainly.

Hon. Mr. McRAE: Taking the round figures I see that in 1933 the catch was 23,000,000 pounds, in 1932, 22,000,000 pounds, in 1931, 22,000,000 pounds, in 1930, 22,000,000 pounds, 1929, 26,000,000, in 1928, 27,000,000 pounds, in 1927, 24,000,000, in 1926, 25,000,000 pounds. It runs along fairly evenly.

Mr. FOUND: With a continuously increasing effort to keep up the catch and expanding the area in which to do it.

Hon. Mr. McRAE: I understood it took these halibut six years to develop. Is it not too soon to expect any marked result from your efforts of the last three or four years?

Mr. FOUND: From the increase of halibut produced from the egg, yes; but from the regulation which prohibits all fishing on nurseries of young fish from which they scatter when they reach the merchantable age, no. And also from the amount of protection that is given the whole fishery so as to enable a continuously larger portion of those younger fish that were previously being caught reaching the desirable catchable size. It is from these two factors that the regulations have no doubt been operating to increase the catch.

Hon. Mr. McRAE: I had been rather disposed to regard the Halibut treaty as being experimental and that it was too early to judge its effectiveness, but I am very favourably impressed with the efforts that have been made. However, I cannot follow Mr. Found in his statement that there has been any material increase of halibut in the last four years judging from the record of the catch.

Mr. FOUND: If you take the catch alone, that is not a factor by which adequately to judge what is the outcome of any fishery.

Hon. Mr. McRAE: After all, that is the final conclusion.

Mr. FOUND: I would not accept that as being so. Let me put it this way. You may have a consistently increasing quantity of any fish landed from any fishery, and at the same time have a continuously decreasing supply if you put a sufficiently increased effort year by year into making that landing.

The CHAIRMAN: The effort has not been as great in the last two or three years as formerly.

Mr. FOUND: The effort has not been as great. Quite frankly, economics have been working with the Commission. I am not wanting to give the Commission credit for anything that it is not entitled to. Market conditions in 1930, 1931, and 1932, certainly helped it to safeguard the situation; but notwithstanding that, in 1933, when conditions began to come back, we had to close the season on the 26th of August.

Last fall when the Commission met, it met with a practically unanimous request—in fact, I may say it was unanimous; there were no objections; and the request represented ninety per cent of the fishermen and ninety-five per cent or more of the handling industry—that the Commission be given the power—a power it is not anxious to have—to regulate the movement of the fleet. Thus the Commission is driven step by step into the position of a marketing board, which is no easy position to be placed in.

Hon. Mr. McRAE: Particularly internationally.

Mr. FOUND: Absolutely.

Here is the picture of what happened last year. The whole fleet, both Canadian and American, and the whole industry, the whole marketing industry on both sides of the line, urged that the treaty should be amended to give the Commission power to regulate the movements of the vessels. There was only one feasible way in which that could be done, and that would be to lay down a hard and fast rule that would apply to everyone, and to say that when a vessel went into port it would have to stay in port a certain length of time. If, after the passage of a month, it was found that the period was not long enough, it would have to be lengthened.

On the United States side, early in the present winter, there was a movement on the part of the whole fleet away from the Commission for a time, and the United States fleet decided that they could control the situation through a code. Those of you who read the Pacific Coast papers will remember noticing that there was a meeting of the code authorities in Washington State a few days ago. But even since that meeting they have realized that they are going to be faced with the situation that the Commission is going to have to stop fishing earlier this year than last year.

That brings about two very undesirable situations: one, economic—that the fishermen will not get as much for their catch as they otherwise would the other,



social—that it is a serious thing to have a body of fishermen and a fleet of vessels idle in port a great many months on end. So there is the picture that faces the Commission at the present time. The fleets have tried this year to regulate themselves.

The CHAIRMAN: Are the fleets much larger than they were?

Mr. FOUND: They are growing. The Canadian fleet this year is bigger than it has been for a number of years.

The CHAIRMAN: Would not that account for the quicker catching?

Mr. FOUND: Partially. I may say that this year, notwithstanding that the season did not open until two weeks later, at the end of April, the catch was 12,548,445 pounds, as against 12,445,715 last year with a longer season.

The CHAIRMAN: You base the increase on the increased catch per unit.

Mr. FOUND: That is where I say the abundance comes in—when you get an increase per unit of gear. That is shown in the northerly portion of Hecate Straits.

The Commission has the most adequate statistics of this fishery that there is of any sea fishery in the world. It knows what is going on week by week in each area and on each bank of each area; and it will be realized that the statistics are not only valuable economically, but essential biologically.

The CHAIRMAN: You made two points. One was the protection of the nursery. What was the other?

Mr. FOUND: The limitation of catch was one; the other—

The CHAIRMAN: I am sorry. I thought you said there were two points. You mentioned the nurseries of the young fish.

Mr. FOUND: Yes. The nurseries were set apart altogether.

The CHAIRMAN: You mentioned one other point. Was it the limitation of the catch?

Mr. FOUND: The limitation of the catch in each area—

The CHAIRMAN: But you mentioned two points, as I remember it, when you were dealing with the question.

Hon. Mr. KING: You have shortened your season.

Mr. FOUND: It has been very much shortened; but we have to shorten it again. The regular season extends from the 1st of March to the 1st of November. It looks this year as though we would have to close it early in August, because the catch will have been made.

Now, a demand is going to come to the Commission to extend the season, and the situation is that, to keep the price where it was, an unduly large quantity has gone into cold storage, because it is realized that there is a long closed season in which it can be disposed of. Shorten that season, and what have you? Apart from the loss experienced by the cold storage man you will have a price drop to an unremunerative figure. I was going to explain that.

The CHAIRMAN: The Commission has not taken any steps yet?

Mr. FOUND: No. The time has not come. We are just following the situation. But from our statistics and our knowledge of the fisheries we are able to judge within four per cent of what will be landed in any given time, knowing what the fleet is. There may be two or three factors which will change; for instance, the number of boats operating, and the number that may withdraw from the halibut fishing and go into salmon fishing. But there is no question about it that this year the catch is being made much more rapidly than last year.

But to come to the difficulty. Last year the United States fleet agreed to spread its catch. The British Columbia fleet failed to agree, and fished on

regularly. That is one reason why they made a definitely larger catch relatively than the United States fleet in the same area. This year there was an agreement reached at the beginning of the season that the boats would tie up between each trip, and also limit the catches to be landed to so much per man per boat. The Seattle fleet agreed, and tied up its boats for ten days; the British Columbia fleet has been tying up for five days. The British Columbia fleet has a good reason for saying it will tie up for a shorter time; it has a lower price, so it does not make the same earnings as a fleet that can ship right in to the United States.

Hon. Mr. McRAE: Is not the result that in Hecate strait we are catching one-third and the Americans are catching two-thirds? And on the north banks of Alaska we are not catching anything?

Mr. FOUND: That is right.

Hon. Mr. McRAE: So there is no reason why we should be particularly gratified, seeing that the Americans are taking two-thirds of the fish on our own doorstep? I think you are trying to create the impression here that we should be content with the special privileges we are getting. We thrashed all this out the other day, and my contention was that we should get a fifty-fifty break in the Hecate strait, if the treaty was adjusted. I am in favour of the treaty, I think it is a good thing. I differ with Senator Taylor in that regard. Personally I am not interested in any of the operating points, but I am desirous of having a larger percentage of fish caught by our fishermen.

The CHAIRMAN: If we could get the Americans to agree to market this fish, the situation would be greatly improved.

Mr. FOUND: Mr. Chairman, what is this treaty for, and why was it entered into?

Hon. Mr. McRAE: I will be perfectly frank. The treaty is good, but I think it ought to be improved. It seems to me we are getting the short end of it, in comparison with the Americans, and I think we ought to get a larger share. The Chairman has suggested a very important matter, the question of our getting a common market as a concession from the Americans.

Mr. FOUND: The international Commission of 1918 made that recommendation as specifically as it could be made. It stated in substance that there never could be proper development of a fishery of that kind so long as there was a common market to both but was not common to both on even terms.

Hon. Mr. FOSTER: The recommendation was a good one. What was the result?

Mr. FOUND: That Commission recommended that a treaty be entered into which would place fish on the free list for fifteen years in both countries.

Hon. Mr. TANNER: You do not think the Commission was infallible, do you?

Mr. FOUND: I am speaking now of the international Commission of 1918.

Hon. Mr. TANNER: Commissions are not always right.

Mr. FOUND: I am not prepared to take exception to that argument, Senator.

The CHAIRMAN: You would not object to getting our fish into the United States free, Senator Tanner.

Hon. Mr. LITTLE: Mr. Chairman, I would like to ask Mr. Found a question. The cost of operation of the Commission is divided equally between Canada and the United States. Whose vessels are used, Canadian or American?

Mr. FOUND: The Commission employs vessels that are suitable for the work. Unfortunately a great deal of the work has had to be done out in the Gulf of Alaska, where there is not a Canadian fishing vessel that is suitable for the work. Consequently, when we have been working out there the Commission has had to

employ a vessel, and has done so by tender at the lowest possible rate. Whenever we have been working on Hecate strait, which has been on three occasions, we have employed a Canadian vessel.

Hon. Mr. LITTLE: Is the cost of that included in this report?

Mr. FOUND: Yes.

Hon. Mr. McRAE: That suggests another question. The great bulk of our expense in connection with the Commission arises on the Alaska banks?

Mr. FOUND: It is more expensive to operate out there.

Hon. Mr. McRAE: We do not catch any fish out there.

Mr. FOUND: No, not now, not of any consequence.

Hon. Mr. McRAE: That is another item in support of my contention that we should get a fifty-fifty arrangement.

The CHAIRMAN: Senator Taylor, do you wish to make a statement?

Hon. Mr. TAYLOR: No. When the time comes for me to give evidence I shall do so. I confine myself to the printed record.

Before I get into that I want to put on file a letter that I received the other day. There were some letters included in the record professing satisfaction with this year's regulation. I should like to add this letter. I do not know the writer at all; it came to me in the mail unsolicited, marked "Copy—Senator Taylor." It is dated "Prince Rupert, B.C., May 11, 1934," and is addressed to "Dr. W. Thompson, Director, International Fisheries Commission, Seattle, Washington," and signed by "The Canadian Halibut Fishing Vessel Owners' Association." It says:

DEAR SIR—We have your circular dated the 7th re over-fishing. To our mind the northern district is not suffering as much as district No. 2, and we are firmly convinced that the only way to get boats fishing in Area No. 2 to switch to Area No. 3 is by your Board advising the fleet that when the total of one area is reached, both areas will be closed. If the legislation that you now have does not enable you to do this, we are of the opinion that you should take steps to get that additional authority. We have at least five boats fishing out of here that could very well fish in Area No. 3, and undoubtedly when Area No. 2 is fished out, they will switch operations to Area No. 3. We are satisfied that you have fishing out of Seattle at least twenty boats that could very well fish in Area No. 3, but so long as it is possible for them to fish out Area No. 2, and afterwards switch to Area No. 3, they are not going to spend their entire time in the latter area.

While in Seattle last fall Mr. Danaman of Sunde & D'Evers informed the writer that practically every boat boat outfitting with them fished in Area No. 3 after Area No. 2 was closed. However, under the present system there is a larger percentage of our fleet suffers, than there is of the American fleet, as very few of our boats are capable of fishing in Area No. 3. As a matter of fact it was only a matter of three boats that attempted it last year, and they only made one trip. This is besides boats that have never before fished in Area No. 3.

Your truly,

THE CANADIAN HALIBUT FISHING VESSEL OWNERS' ASSN.

The CHAIRMAN: You did not have any letter like that, Mr. Found?

Mr. FOUND: I have had a copy of that letter. There is nothing in the world in that letter that I can see that—

Hon. Mr. TAYLOR: Is Mr. Found going to contribute to my evidence, or what? If he had a copy of the letter I think he should have shown it to the Committee.



Here is the Halibut Fishery Convention. We had a little discussion the other day as to the closed season. It says, Article I:—

From the first day of November next after the date of the exchange of ratifications of this Convention to the fifteenth day of the following February, both days inclusive, and within the same period yearly thereafter.

I am quite well aware, and so is the Committee, that the closed season has been extended by two weeks; but a question was raised as to what it was originally. I am reading from the document, and reminding you there has been an extension of two weeks. So much for that.

The present study of the halibut situation in British Columbia originated with the engagement by the Government of that province in 1915 and 1916 of a noted scientist, Dr. William F. Thompson, who is a recognized authority on fisheries. He was in the service of the provincial Government for two full years, to advise them what, if anything, could be done to improve the situation of the halibut industry. I read from a report made by Dr. Thompson to the International Fisheries Commission.

Hon. Mr. FOSTER: When?

Hon. Mr. TAYLOR: This was printed in 1930. He says:—

At this time there appeared three reports by the British Columbia Commission of Fisheries (Thompson 1916, 1917), one dealing with the life history of the halibut, one with the statistics of the fishery, and a third with protective measures with particular reference to the closed season. The studies of life history showed that the spawning occurred during the winter months and that the fish was of slow growth. The statistics proved definitely, for the first time, the decline in abundance and average size of the halibut on the older banks, together with longer voyages and more effort for the returns. These studies gave scientific support to the movement for closure, from the standpoint of conservation, which was the main reason urged publicly for passage of the desired legislation. The final report urged that three months' closure would not suffice and would simply intensify the summer fishery on the most depleted banks, those off British Columbia.

I suppose that final report can be taken of the whole movement now. When the movement was taken up by the Federal Government some years afterwards they chose Mr. Thompson as their scientific representative.

There has come to each member of this Committee Report No. 6 of the Halibut Commission. This report bears the imprint of 1931, although apparently not circulated until now. In it Dr. Thompson reviews the conditions of the halibut banks in detail by numbered areas. There are 36 areas that you will see on the maps of the halibut territory. These are not the areas which are numbered differently for the regulations, but areas numbered for the purpose of that map.

Hon. Mr. McRAE: Those are different sections of the same banks?

Hon. Mr. TAYLOR: Starting away down South and going away out to the Aleutians. The numbers, from 1 to 36, cover the whole territory.

I call attention to the fact that Dr. Thompson covers the whole territory from Area 1 to Area 36. I am reading now from page 15 of the report indicated:

Off the coasts of Oregon, Washington and Southern British Columbia, Areas 1 to 8, the level of abundance is very low at all seasons. . . The fishery has been conducted from spring to fall during recent years, and the closed season does not restrict fishing.

Between the north end of Vancouver Island and Dixon Entrance, Areas 9 to 13, . . . "the present closed season does not curtail the fishery save to a slight extent on the outer banks in fall and spring."

Off the banks of Southeastern Alaska, Areas 14 to 18, "although on general the closed season has eliminated very little fishing, yet the stock on these grounds has received some slight direct benefit from the closed season."

Between Cape Spencer and Cape St. Elias, Areas 19 to 23, "the abundance in each season shows the same decline. This clearly indicates that the decline in the average for the year is not due to the recent legal closure of a period of high yields, the major part of the spawning time." . . . The closed season is more effective in eliminating winter fishing on the spawning grounds in this region than elsewhere. . . . The effect of the closure, however, has been partly offset by increased intensity during the remainder of the spawning season.

In the region between Cape St. Elias and the west end of Kodiak Island, areas 24 to 28, "there has actually been an increase in the proportion of winter fishing done since the inauguration of the closed season, which has had no direct limiting effect here."

In the region west of Kodiak Island, areas 29 to 36, "practically no fishing has been done here in the winter season, and the closed season offers no direct protection to the stock."

That is the opinion of Dr. Thompson, after six years' continuous employment as head of our scientific expedition and two or three years with the provincial government, that up to the date of the report the closed season had had practically no effect upon the condition of the halibut banks.

The summing up by Dr. Thompson of conditions in the once famous waters of Hecate strait, appears to be fairly applicable to conditions in other areas as well. He says, at page 82 "In recent years it is apparent that a more uniform effort was made throughout the whole season, as though every opportunity was made use of. It is of course a temptation to ascribe such changes to the economic effects of the winter closure. . . . For the present the main conclusion to be drawn is that. . . the principal effect of the winter closure must be the indirect economic ones resultant from the restrictions applied to competing vessels on other banks." And again, as to other nearby grounds, at page 95, "At all events the effect of the closed season is not prominent, if visible at all, despite the great mass of data in the last few years." Again, as to areas 24 to 28, "the closed season has had little if any effect on the winter fishery in this region."

Dr. Thompson and his staff have been employed continuously on these observations since 1924,—ten years, up to this date, and six years up to the date of the report. The take of halibut has declined steadily from 52,000,000 pounds in 1924 to 46,000,000 pounds in 1933—I am quoting from the table of statistics laid before this Committee—with the Canadian share in the spoil remaining at only 18 per cent. We pay fifty-fifty of the cost of recording these facts. That is, we have paid a quarter of a million dollars, and the whole expenditure to date has been half a million dollars. The high take recorded was 69,000,000 pounds, in 1915, when the Canadian share was 27 per cent.

There has been distributed to this Committee, in 1934, another report, bearing the imprint of 1930 but purporting to record the results of investigations in December, 1930. The treaty as it now stands is dated May 9, 1930, and is for five years from that date. It is the latest word of authority to the Commission. This report is by the four members of the Commission, while the report from which I have quoted already is by Dr. Thompson, the scientific adviser. This

is what these Commissioners say at page 18, as the outcome of their investigations in December, 1930, which date was six months after the adoption of the latest treaty,—

In the statistics obtained to date, there has been no definite evidence visible of a beneficial effect following the imposition of the present closed season. This was also remarked upon in 1926. . . This does not indicate the failure of the closed season to protect the spawning fish at the time, but does indicate that this same stock is fished even more intensively at other seasons.

Again, at page 19:

Since from previous studies it is known that halibut appear in the commercial catch first at five years of age, and mature at approximately twelve, the seven intervening years account for the disappearance of the stock before spawning occurs to any extent.

When these words were written the new treaty had been made, and the Commissioners then appeared resolute to make use of the new powers it was supposed to give. They say, at page 22:—

The present closed season is not framed so as to conserve the fishery, and the additional regulations provided for under the new treaty are vital.

There have been no separate reports, since 1930, from the Commission or its director, so far as I have been able to ascertain. But the Deputy Minister's departmental report for 1932 notes, with reference to the Halibut Treaty, "the great mass of data now collected must be properly published," and promises that "this will be one of the major tasks of the coming year." In 1932 the whole take of halibut had dropped to the low total of 43,000,000 pounds, with a Canadian percentage of only 15.

That notwithstanding the statistical and allied efforts of the past ten years there remains something more productive to be done, is indicated in the words with which the Commissioners have gone off the air since 1930. At page 29 they say: "The Commissioners desire respectfully to call the attention of their governments to the continuance of the decline in this great fishery and to the need of prompt decisive action for rehabilitation." That is stated in the report signed by the Commissioners, John Pease Babcock, William A. Found, Miller Freeman, and Henry O'Malley.

Hon. Mr. KING: That was six months after the new treaty?

Hon. Mr. TAYLOR: Yes, that was six months afterwards, and they had all the new powers when they wrote those words.

I am a citizen of British Columbia. I am intimately familiar with the halibut fishery, as well as other fisheries, and the importance of them to the people whom I represent. I have continuously watched the efforts of the two governments since 1916, and have observed the halibut catch fall to 43,000,000 pounds, of which Canada got only 15 per cent. And the Commission appeals to their two governments to do something. I ask this Committee, what can the two governments do? They have given the full powers to the Commissioners to handle the situation; so far as I know, the Commissioners have been given everything they have asked for.

As to the closed season, Dr. Thompson maintains that that is the crux of the whole business. I have not the reference at hand just now, but I have it quite clear in my memory that the spawning season for halibut is supposed to last from November till April, and that in the opinion of biologists the only safe course is to make the closed season continue for the whole of the spawning season.

Incidentally, I was sorry to hear my good friend Senator McRae say that I was against this treaty. I am not against this treaty. I am absolutely in favour of the halibut convention.



Hon. Mr. McRAE: I stand corrected, Senator Taylor.

Hon. Mr. TAYLOR: But after seventeen years' experience I think I am entitled to express disappointment that the conditions are no further advanced than they are to-day. Of course my recommendation is only the recommendation of one member, but as the one who started this inquiry I thought I was justified in sounding the key-note of what I thought ought to be done. I do not ask for the removal of the Commission or the abrogation of the treaty. I ask for the strengthening of the Canadian representation on the Commission. I have no information whatever as to what goes on behind the doors of the Commission when it meets. I know that Mr. O'Malley, the late American representative, is one of the very strongest members of the United States Civil Service. He was reporting to Mr. Hoover, the then Secretary of Commerce, and he was spending three or four months every year on the grounds of the halibut fishery and the sealing fishery. Both American reports note the very long visits paid by the Fisheries Commissioner from Washington to these two grounds. Mr. Miller Freeman lives in Seattle, and he makes frequent trips north too. The Americans have most vigorous and direct representation on that Commission, and the most intimate knowledge of what is going on. We have as our representatives on the Commission, Mr. Found and Mr. Babcock. Mr. Found is a very busy deputy minister at Ottawa. I do not know how much time he spends on the grounds, but he certainly cannot spend as many weeks there as it is said Mr. O'Malley does. When I suggested a strengthening of the Commission I had no idea that Mr. Found would take it as a personal reference. I do think that he is too busy to be able to spare the time that should be given to this Commission. My point is simply that I want our representations strengthened.

If Mr. Found is a member of the Canadian section of the Commission along with someone else well qualified, that is a strengthening of our representation. I am not reflecting on Mr. Found, and I am sorry he should so regard my suggestion. I say our representation on the Commission is weaker than the American representation. It should be strengthened. It is not for me to say how this should be done.

Hon. Mr. McCORMICK: Dr. Thompson in his report states that the closed season has had practically no effect upon the halibut banks. It seems to me this deserves our consideration.

Hon. Mr. TAYLOR: When making the last revision of the treaty the closed season was extended.

I should like to say, Mr. Chairman, with respect to my suggestion that our Commissioners were overborne by the American Commissioners, that this was based on my knowledge of the personnel of the Commission. But the internal evidence of it was the nature of the recommendations which the Commission accepted. For instance, a closed season is the very essence of the effective regulation of the halibut fishery. Without a closed season I am satisfied that the fishery is in danger of becoming extinct. Yet this is the very authority which under the new convention is refused to the Commissioners. I quote:—

The International Fisheries Commission provided for by article 3 is hereby empowered, subject to the approval of the Governor General of the Dominion of Canada and the President of the United States of America, to suspend or modify the closed season provided for by this article as to part or all of the convention waters, should it find after investigation that such changes are necessary.

Hon. Mr. McCORMICK: Where is the provision that the season shall extend from November to April?

Hon. Mr. TAYLOR: In the same article the season is extended from the 1st of November to the 15th day of the following February.

But the very fact our Commissioners submitted to the recommendation that they must not extend the closed season, when I knew they of their own knowledge had better information, naturally indicated to me that they had been overborne by their American colleagues. It is common knowledge to those who read the press on the Pacific Coast that the American section of the Halibut Fishery Commission has very strongly resented the suggestion to put on an effective closed season. Dr. Thompson indicates in this report, No. 5, that while a closed season is a measure of conservation, the real basis of the request is economic, to relieve the owners of the necessity of sending out their ships during the winter season.

The CHAIRMAN: Mr. Found gave evidence the other day that it had been modified.

Hon. Mr. TAYLOR: They could not prosecute anybody for infringing the regulations.

Mr. FOUND: Mr. Chairman, the argument can be ended in a sentence. The treaty is not legislation; it is just an agreement. No one can be prosecuted under a treaty. It requires enabling legislation to make a treaty effective. In our Enabling Act "closed season" is defined as meaning the period from the 16th day of November in any year to the 15th day of February in the next year following, both days inclusive, while this Act is in force, or any other period which may be substituted therefor by the Governor in Council.

Hon. Mr. TAYLOR: Yes, but the Governor in Council cannot go beyond the terms of the treaty.

Mr. FOUND: He can go as far as the legislation authorizes, and that is the legislation approved by Parliament.

Hon. Mr. TAYLOR: If you will permit me, Mr. Found. I was a member of Parliament for several years. The Commission cannot go beyond the terms of their authority.

Hon. Mr. McRAE: This country could not go any further than the United States. Their enabling legislation probably is in strict compliance with the treaty.

Mr. FOUND: It is the same thing.

Hon. Mr. McRAE: What is the penalty for fishing out of season?

Hon. Mr. TAYLOR: I asked what had been the result of prosecutions under the regulations. I was told there had been no prosecution, that the fishermen were so proper-minded that they have committed no violations of the regulations.

Hon. Mr. McRAE: Have there been any prosecutions?

Mr. FOUND: We have not had any prosecutions so far.

Hon. Mr. McRAE: Have there been any on the United States side?

Mr. FOUND: Not actual prosecutions. The main difficulty the Commission has had has been with vessels hanging out at the end of the season so as to try and get into a better market. Last year one United States vessel was on the grounds so long after the end of the season that it could not be reasonably held that weather had detained her. We sent her over with full information, as the treaty provides, to the United States. They held the vessel. As a matter of fact we confiscated some of the fish.

Hon. Mr. McRAE: Mr. Chairman, Dr. Thompson occupies a very important position. I am sure the Committee would appreciate information from Senator Taylor with respect to how long Dr. Thompson has been with us, and so on.

Hon. Mr. TAYLOR: He has been with us since 1924. He was in the British Columbia service in 1916 and 1917.

Hon. Mr. McRAE: Is he located at Prince Rupert?

Hon. Mr. TAYLOR: No, he makes his headquarters at Washington.

Mr. FOUND: His office is at Seattle. The University gave us a building, but it is not used any more.

Hon. Mr. TAYLOR: It is not worth arguing about. Dr. Thompson has a very high reputation as a biologist.

Hon. Mr. KING: He is still in the employ of the Commission?

Hon. Mr. TAYLOR: Yes. To show our estimate of his work, we pay him \$6,000 a year. He is not a cheap man.

Hon. Mr. McRAE: I would call that a moderate salary.

The CHAIRMAN: Scientists do not get what they are worth.

Have you anything further, Senator?

Hon. Mr. TAYLOR: I do not think so.

Hon. Mr. McRAE: Mr. Chairman, I do not think we can regard as satisfactory the condition of our salmon fishery in British Columbia. From the figures submitted it is apparent that it is a very substantial drain on the treasury. In the last twenty years we have spent something like \$16,000,000 and have recovered about \$2,000,000. This net expenditure of \$14,000,000 could be justified probably if we were succeeding in maintaining the industry; but I think you will find when we come to deal with the figures of the catches that the industry is still deteriorating.

I notice in his opening statement Mr. Found said that things were satisfactory. I take issue with him. In view of the situation I am going to ask the Committee to consider carefully whether or not it can be considered satisfactory from the financial standpoint.

As I have said before, I think our fishing industry out in British Columbia is in a wrong position. The canneries think they have vested rights, and so do the fishermen. In reality the salmon fishery is the property of Canada.

If it is possible to revamp the fishery so as to make it self-supporting, it would save this country an annual drain of several hundred thousand dollars. The salmon fishery is a very big issue, much bigger than the halibut fishery. In fact it is greater than all our other fisheries put together.

The Committee adjourned until Tuesday, June 5, at 11 a.m.











THE SENATE OF CANADA



PROCEEDINGS

OF THE

SPECIAL COMMITTEE

ON

SEALING AND FISHERIES IN  
PACIFIC WATERS

No. 5

The Honourable H. H. Horsey, Chairman

WITNESSES:

Mr. W. A. Found, Deputy Minister of Fisheries (recalled).

Mr. Thomas Reid, M.P.

Mr. J. A. Rodd, Director of Fish Culture, Department of Fisheries, Ottawa.

Mr. E. G. Poole, Montreal, Quebec, Fish and Game Representative, Canadian National Railways.

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PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1934



# MINUTES OF EVIDENCE

THE SENATE,

TUESDAY, June 5, 1934.

The Special Committee on Sealing and Fishery interests in Pacific waters resumed this day at 11 o'clock, a.m.

Hon. Mr. Horsey in the Chair.

The CHAIRMAN: I think perhaps Mr. Found might give us a brief outline of the history of the salmon fishery up to the proposed present convention, laying emphasis on actual present conditions, so that we can contrast these present conditions with what we hope to get eventually under the convention.

Hon. Mr. McRAE: Mr. Chairman, may I suggest that you give Mr. Found an idea as to how extensive you want him to make his outline. One could talk for a week on the salmon fishery.

The CHAIRMAN: We want only a brief outline. Possibly Mr. Found could cover it in about a quarter of an hour.

Mr. FOUND: Mr. Chairman, following the discussion at the close of the last meeting, I understood that you desired a comprehensive statement dealing with the salmon fishery of the province in general and leading up to the Fraser river situation. I have prepared a statement, which should not take more than fifteen minutes to read, and I think it will elucidate the whole situation and enable the Committee to understand it clearly, and be in a better position to ask questions.

The CHAIRMAN: I think you should read the statement.

Mr. Found reads the following statement:—

## BRITISH COLUMBIA SALMON FISHERIES

The salmon fisheries of British Columbia constitute by far its greatest fisheries asset. Indeed they are worth more than all its other fisheries put together. In normal times their marketed value runs from fifteen to eighteen million dollars per year.

The fishery was started in the southern portion of the province and extended northward as markets were found for the canned product.

There are six species of British Columbia salmon,—Sockeyes, Springs, Cohoes, Pinks, Chums, Steelhead. Springs are of three varieties,—red, pink and white. These refer to the colour of their flesh.

In the market the sockeye has always commanded the highest price. It has only been in more recent years that the demand for pinks and chums has been equal to the supply. Exception 1931-32.

A peculiar characteristic of all our British Columbia salmon, with the exception of the steelhead, is that they die after spawning, so that each fish, even though it reaches maturity, can reproduce once only.

As a usual thing, the salmon return to spawn to the waters in which they were hatched or liberated from a hatchery, as the case may be. Hence the run of salmon to each spawning area must be dealt with separately, and each con-



stitutes a separate problem. The different species reach maturity at different ages, and the age differs in different areas. For instance, Fraser River sockeye are predominantly four-year fish—that is they reach maturity and spawn when they are four years old. This same species in the north is frequently five years old when they mature and in some cases even six years.

Springs mature at from 4 to 8 years of age.

Cohoos at from 3 to 5.

Pinks at 2.

Chums at 3 to 4.

We protect the runs of these fish by weekly and annual close times, methods of fishing which differ in different areas and restricting fishing to certain areas, etc.

To keep a check on escapement, the conditions on the spawning areas are examined each fall.

The natural history of the salmon has been, and is being given much study, particularly in Canada and the United States. Much has been learned, but there is still a big gap in our knowledge. The early life history is fairly well known, but where the fish go when they leave the rivers for the sea and how they spend their time there are still matters of conjecture.

The life history of each species differs in detail, but a brief description of that of one will serve to give a general impression of each. The sockeye, being the most valuable, is chosen.

Where conditions permit, the sockeye spawns in the streams that flow into the lakes that feed the main rivers up which it ascends. Hence in the larger river systems these fish may travel tremendous distances from the sea. They cease to feed when they reach the river estuaries. They are then in prime condition, having stored up flesh and energy for the journey that awaits them. How they negotiate the rapids and falls that are so frequent and heavy in these rivers, never fails to be a matter of wonderment to those who have the opportunity of watching them. All this time also, their eggs or milt, as the case may be, are rapidly maturing which process makes continuous drain on the flesh and strength of the fish so that when they finally reach their native spawning areas and are ready to spawn they are little more than skin and bone and soon after spawning they die.

Spawning takes place in the fall and the eggs remain in the gravel until the temperature of the water begins to rise in the following spring, when hatching takes place. The young fish in a short time drop down into the lakes and remain there until, as a general thing, they are in their second year, when they go to sea and disappear until they reach maturity and nature bids them come back to their native waters to reproduce.

It is when they are on their way back and approach the surface that they become available to our fishermen.

Tagging fish in our coastal waters to ascertain their migration and growth has been fairly extensively carried on in both Canada and the United States. This has shown that to an important extent, spring salmon that are taken off the west coast of Vancouver Island, and even off the Queen Charlotte Islands, are making for the Columbia River to spawn; also that sockeye tagged well up in South-eastern Alaska are making for the Naas or Skeena and even more southern British Columbia areas. On the other hand, sockeye tagged about our northern boundary have been taken in Alaska waters.

It thus becomes evident that, at least to some extent, our salmon are continental rather than national in their habits, so that it may be as more knowledge of the life history of these fish is obtained our international responsibilities will become more complicated than they now are.

As is the case with land crops, no matter how carefully the farmer may do his part, so it is with runs of fish, fluctuations in volume may be great. The dangers to future runs of such fish as salmon may begin on the spawning areas themselves. These areas may be abundantly seeded, but, if undue freshets or undue drought follow, tremendous mortality of eggs takes place.

For causes over which we have no control biological conditions in the upper waters may not be as good as the average for some particular runs, or conditions in the sea may be unfavourable. An outstanding illustration is the run of pink salmon to the northern Queen Charlotte Islands area. Every second year there was an enormous run of pink salmon to that area. In 1930 the run was never larger and the spawning grounds were never more heavily seeded, yet for some reason which so far has not been explained, in 1932 the run was a practical failure. We are awaiting with anxiety to see what the condition will be this year.

Two statements covering each of the past twenty years are before the Committee. The first of these shows the catch in hundredweights of salmon as taken from the water. The second shows the number of cases of 48 one pound cans, or equivalent, of each species that has been packed each year.

The latter statement, excepting for sockeyes and pinks, does not show a proper picture of the fishery as more and more of the other species are going into the fresh and frozen fish business year by year. There were more salmon frozen in British Columbia last year than there were halibut.

It takes a series of cycles of the run of any species to any area to enable a reasonably adequate judgment, as to whether there is being any depletion, to be formed.

Except in the Fraser River, which is an International problem, and which therefore cannot be handled by Canada alone, our runs of the different species are on the whole being well maintained. There is one cycle in the Skeena River sockeye run that is not satisfactory and the necessary steps to deal with it are being taken.

The Fraser River sockeye salmon situation has long been recognized to be an international one.

Notwithstanding the fish are hatched in Canadian waters, when they are returning to spawn and so become available to the fisherman, the vast majority of them come in through Juan de Fuca Strait and the Gulf of Georgia. Unfortunately for Canada, while they seem to enter the Strait from the Pacific on both sides or all across, when they reach opposite the southwestern portion of Vancouver Island they pass over to the United States side and do not emerge therefrom until they reach the vicinity of Point Roberts on the boundary line. During their passage through the United States channels they are largely caught by the United States fishermen who use purse-seines and trap-nets, so that only those that escape become available to our fishermen, who must also be required to make provision for a reasonable escapement to the spawning areas. The result is that only about thirty per cent of the total quantity taken is caught by our fishermen. The relative and total packs on each side of the line since 1909 are shown on the statement that is before the Committee.

The Fraser River rises in the western slopes of the Canadian Rocky Mountains. It flows in a general southwesterly direction through the province for a distance of over seven hundred miles and discharges into the Gulf of Georgia, a short distance north of the International Boundary Line. It has a total drainage area of approximately ninety thousand square miles, of which eighty-four thousand are above Hell's Gate, which is located about one hundred miles from its mouth, and which will be referred to later.

There was in the Fraser system, from the earliest records we have, the phenomenon of an enormous run of sockeyes every fourth year which was followed by three years of light runs, the heaviest of the three being the one immediately after the "big year," the second one lighter and the third the

lightest, though this order was not always maintained. Hence the years came to be known as "big years" and "off years". The cause for this phenomenon can only be conjectured. The "big years" of the past were the series 1901, 1905, 1909, etc.

About one hundred miles from its mouth, the Fraser rushes through a gorge about sixty miles long, which is formed by the Cascade and Coast ranges of mountains coming almost together. The general slope through this canyon is from four to eight feet to the mile, and it is even greater where it emerges from the canyon at what is called Hell's Gate, where the whole river is compressed into a width of about one hundred and forty feet. There is a maximum rise and fall through this outlet of about seventy feet, and there may be a change in the level of twenty-eight feet in one day, owing to heavy rains or melting snows in the portion of the watershed above the Gate. Different places in this canyon are always difficult for ascending salmon, and at certain stages of the water they have always been impossible. These stages may last for only a few hours, or for some days.

The extensive tributaries emptying large lakes, into which lakes flow many streams, afford numerous spawning areas, but at least seventy-five per cent of such areas are above Hell's Gate.

It was only during the "big years" of the past that the spawning areas above Hell's Gate were seeded to any considerable extent. In the "big years" the whole upper portion of the river was reached by millions of spawning fish, and it was such abundant seeding of the areas above Hell's Gate that produced the "big years" of the past. The "off years" depended practically for their reproduction on the not more than twenty-five per cent of the spawning areas below Hell's Gate.

In 1913—which was a "big year," and it was the last one—a disaster to the fishery occurred which put an end to the "big year" runs and practically reduced them to the volume of the "off years". The construction of what was then the Canadian Northern Railway was proceeding along the east side of the Great Canyon. Much of the material that was blasted out of the side of the mountain in making a roadbed, tumbled into the canyon. As this canyon is very deep, no one anticipated that this would make it more difficult for the fish to ascend through it, but it proved that just inside the Gate, and at two other places, the conditions, which before had always been difficult, became impossible, so that practically no sockeye that year got beyond the canyon and reproduction was practically restricted to the area below Hell's Gate, thus ending the "big year" and placing it on the same basis as the "off" ones.

Immediately it was ascertained what the conditions were, a Governor General's Warrant was obtained to cover the cost, and the Pacific Dredging Company, which was the only concern on the coast that had the needed equipment, was employed, on a percentage of cost basis, to remove the blasted debris from the difficult spots in the canyon. Also, a temporary fishway was built but was of little service on account of changing heights of the water, and a few fish were passed up by hand power, but, as above indicated, very few in the aggregate reached the areas above the canyon, as the conditions could not be sufficiently improved during the time the salmon remained alive below the Gate.

In the following winter the condition was greatly aggravated by a slide from the mountain just inside of Hell's Gate, which started a short distance above the railway cut. This slide carried with it a portion of the tunnel and some twenty feet of the railway track, and the whole thing rased into the canyon. The obstructions were removed during that year and the following one.

So far as the adequacy of the Treaty of 1930 is concerned, it seems to me it is only necessary to say that, after much consideration, this treaty was approved by the House of Commons, and the Senate. So it can hardly be conceived that Canada's interests have not been safeguarded.



Also it was submitted by the then President of the United States to his Senate for approval, which has not yet been given, evidently because of strong objections by the United States fishery interests, who apparently believe if it becomes law they will be the losers.

The treaty is before you, Mr. Chairman, and I think, therefore, I need not deal with any of its provisions.

The CHAIRMAN: What point would the Committee like to take up first?

Hon. Mr. McRAE: I think we have a schedule here, furnished some time ago, that shows the total pack by the different districts. Is that not correct, Mr. FOUND?

Mr. FOUND: One of the statements shows the catch in hundredweights, which, from certain standpoints, gives a clearer picture than that by packs. As I explained, there is a growing quantity of certain varieties of the fish going into the fresh and frozen fish business. The other statement shows the total pack for British Columbia, by varieties.

Hon. Mr. McRAE: That would be largely spring and—

Mr. FOUND: Springs, Chums and Cohoes.

Hon. Mr. McRAE: The district is roughly divided into two—that is the northern district and the Fraser River district. I had it in mind that we probably had something that would show the history of the catch in the northern streams.

Mr. FOUND: I have prepared statements of each area, if the Committee wants them.

The CHAIRMAN: The northern area?

Hon. Mr. McRAE: I think the Committee would be interested in the progress of the catch during the last twenty years in the northern area, and then, later, in the Fraser River area, which involves the treaty.

Mr. FOUND: In these statements which are being distributed there are fastened together statements of each area. We could not very well divide the North and South arbitrarily. Each area is a distinct problem. They are subdivided further than that. They are all there.

Hon. Mr. McRAE: This is very good. Here is the one with the northern area. The material catch in that is the sockeye.

Mr. FOUND: It is the important one, yes.

Hon. Mr. McRAE: The experience has been rather distressing, hasn't it?

Mr. FOUND: Yes. Up and down.

Hon. Mr. McRAE: Going back twenty years, it was 31,000 cases of sockeye.

Mr. FOUND: We have very strong evidence that there is a good deal of the Fraser river situation there.

Hon. Mr. McRAE: I am familiar with it. It is a pretty distressing one.

Mr. FOUND: Yes. You will see that in 1930 the pack was nearly as big as in the big years.

Hon. Mr. McRAE: 1926 was the previous cycle, was it not? It does not seem to run in cycles very well.

Mr. FOUND: The fish there are largely both five and six year fish.

Hon. Mr. McRAE: After 1924 we came into a bad period for five years, and then there was a big year in 1930, followed by two very distressing years, in 1932 and 1933. But in the previous ten year period, from 1914 to 1923, there was a pretty good consistent run of fish, with a couple of lean years. 1921 was very lean. But in the next ten year period, from 1924 to 1933 they were nearly all lean years.

Hon. Mr. KING: 1924 was a big year.

Hon. Mr. McRAE: Yes, and 1930. On the whole you are hopeful of that stream, are you, Mr. Found?

Mr. FOUND: I am afraid of that stream. I am afraid that we have a good deal of the Fraser river situation there. A lot of fish that were tagged even 125 miles north have been taken in the Naas river. The Alaskan fishery is clearly making a drain on it.

Hon. Mr. McRAE: I think the American traps are interfering with that stream.

The next sheet deals with what I have always considered the greatest fishing river in British Columbia, the Skeena. That has the finest red fish, has it not?

Mr. FOUND: Fraser river sockeye has always commanded a higher price.

Hon. Mr. McRAE: The Skeena river fish is considered the best to-day, is it not?

Mr. FOUND: I think it is generally considered that the fish that go to the bigger rivers have stored up more oil, so that they are the best fish. The sockeye of the Fraser and the Skeena would be the best that we have.

Hon. Mr. McRAE: Senator Little has just been doing a little figuring and he finds that the pack averaged 104,000 for the first ten years and 84,000 for the second ten years. Is that a four-year fish there?

Mr. FOUND: It is four or five year, very few six. I believe if you follow up the question there you will conclude there is something wrong with one run, there is some reason to be afraid of it.

Hon. Mr. McRAE: On the whole, would it not be fair to say that the Skeena river is on the decline?

Mr. FOUND: No sir. I think that the Skeena river, with the exception of that run is holding up pretty well. I am not speaking of the earliest years—

Hon. Mr. McRAE: Not from 1914.

Mr. FOUND: No, but for the last number of years.

Hon. Mr. McRAE: Do you not think that a fair way to get at the situation is to take a ten-year average, rather than taking it year by year?

Mr. FOUND: I think you have to take cycle by cycle.

Hon. Mr. McRAE: A ten-year period gives you a good chance to estimate the situation.

Mr. FOUND: That takes in two cycles, roughly, of the four- and five-year fish.

Hon. Mr. McRAE: The pinks on the Skeena seem to be keeping up pretty well, do they not?

Mr. FOUND: In 1927 there was a failure. We pretty nearly had to close down, but the pinks came right back. It is very difficult to judge these fisheries from the packs, because marketing conditions have governed what the packs were in years gone by.

Hon. Mr. McRAE: That might account for the decrease in the pinks in the last three years, but not for the decrease in the sockeye.

Mr. FOUND: No. The sockeye fishery was prosecuted, but in 1931 and 1932 there was certainly no adequate prosecution of the pinks fishery in that area.

Hon. Mr. McRAE: The next sheet deals with Rivers Inlet and Smiths Inlet. (Mr. Found indicates position of these areas on the map.)

Hon. Mr. McRAE: How do you account for the improvement in this stream? There has been a material improvement within the last ten years.

Mr. FOUND: We have been watching all these areas very closely. It is possibly a little easier to watch an area like that, because you can more readily

determine the escapement. In this stream we have moved the fishing area further down, we have been moving it seaward.

Hon. Mr. McRAE: This river has not got the advantage of a big inlet, like the Skeena has?

Mr. FOUND: No sir. And it is easier to watch.

Hon. Mr. McRAE: I rather gathered from your previous remark that a large inlet was an advantage.

Mr. FOUND: Yes sir, an advantage as far as the fish is concerned.

Hon. Mr. McRAE: On the next sheet you give the figures for outlying districts, Lowe Inlet area, Bella Colla, Butedale, and so on. The figures here show a decline, do they not?

Mr. FOUND: It is so hard to say. The fish were hauled different distances in past years. That is why I gave figures for the province, because you get a fairer picture by taking the whole province than by looking at lesser areas. The same thing is true with respect to the Queen Charlotte Islands.

Hon. Mr. McRAE: Vancouver Island is relatively small too?

Mr. FOUND: Yes.

Hon. Mr. McRAE: On the whole, is the fishery increasing or decreasing on Vancouver Island? Is it holding up?

Mr. FOUND: I think so, sir. As a matter of fact, I am quite ready to say the department takes the ground it is worthy of censure if any of these areas are permanently going to be allowed to go down. But it is so difficult to say for a few years just what is happening.

Hon. Mr. McRAE: What do you call permanent?

Mr. FOUND: If there is permanent depletion—

Hon. Mr. McRAE: Over a period of ten years?

Mr. FOUND: A ten-year period gives a fair picture, with one thing and another, unless some unusual condition intervenes. We are watching it year by year as closely as possible, and taking steps wherever they are regarded as necessary to meet any situation where it seems there is a decline.

Hon. Mr. KING: What protective measures do you take?

Mr. FOUND: The protection is given by reducing the fishing. For instance, in the Skeena river we may have to close the fishing in 1937. We are giving the matter very close attention. It is not easy to do these things; the industry has to be notified in advance in order that it may make its arrangements accordingly.

Hon. Mr. KING: You open the river for the run at certain periods?

Mr. FOUND: We now limit fishing to a certain point in the river. It may be that we shall have to take that point down to practically the mouth of the river, and restrict fishing to outside the river altogether, so as to assure the salmon a chance to get to the spawning grounds. The situation is difficult when you have a downward cycle. That is the very time when in the nature of things fishermen want to fish as hard as they can.

The CHAIRMAN: Do you take the same action with regard to the Fraser river?

Mr. FOUND: We have not been taking the same action as we would have taken if it had not been an international situation. That is, we are taking what are regarded as reasonable measures, but if we impose very strict limitations and the same thing is not done on the other side, the fishermen on the other side will benefit.

Hon. Mr. KING: Are any protective measures taken by the Americans on their side of the waters tributary to the Fraser river?



Mr. FOUND: They have protective measures. They have weekly and annual closed times. Of course I am not in a position to state as to the extent of the enforcement.

Hon. Mr. KING: Those measures would be correlated with yours, would they?

Mr. FOUND: They would to the extent that they mean a certain number of fish get a chance to go by. In a big area like that, where fish are caught over such a big area, the difficulty is that the benefits of a weekly closed time towards the outside of the area may be entirely nullified by fishing that takes place further up the area after the weekly closed time is over.

Hon. Mr. McRAE: Mr. Found, you have dealt with the northern areas, and I think the members of the Committee can draw their own conclusions from the schedules as to whether the fishing is improving or not.

Coming to the Fraser River, it was prior to 1914 that the big calamity occurred.

Mr. FOUND: 1913.

Hon. Mr. McRAE: And in 1917 the catch in Canadian waters was 137,000. What was the catch in 1913 in Canadian waters?

Mr. FOUND: 736,661 cases. The total pack that year on both sides of the line was 2,409,760 cases. 1933 would be the cycle year; it was 178,204 cases.

Hon. Mr. McRAE: We lost about 1,800,000 through that calamity.

Mr. FOUND: We lost there 2,200,000 cases. If you put that at \$15 a case—

Hon. Mr. McRAE: That would be \$33,000,000.

Mr. FOUND: And the Fraser River is potentially as good as it ever was.

The CHAIRMAN: Is there any voluntary co-operation between the United States Federal Fishery Department and yours, in regard to these fisheries?

Mr. FOUND: The fisheries in the case of Washington are, under existing conditions, regulated and administered by the State. But in the United States a treaty overrides all State laws, and so if the treaty had become effective the administration there would have passed to the Federal Government.

Hon. Mr. McRAE: Mr. Found, what efforts are we making now on the Fraser River with respect to propagation and that sort of thing?

Mr. FOUND: It is not very strenuous.

Hon. Mr. McRAE: What do you suppose it is costing us a year?

Mr. FOUND: The cost would be a bit misleading because of the Cultus Lake operations.

Hon. Mr. McRAE: That comes under your Biological Board.

Mr. FOUND: Yes.

Hon. Mr. McRAE: Leaving that out, what do you suppose it is costing us a year?

Mr. FOUND: There is the Pitt Lake hatchery and the Pemberton Lake hatchery. Possibly it would be from \$12,000 to \$13,000 a year. I am speaking subject to correction.

Hon. Mr. McRAE: What do you think of the prospects of restoring the river?

Mr. FOUND: I see no reason why the river cannot be restored by joint action. The conditions are as favourable for the production of salmon as they ever were. Whether it would be possible to make the big year an every year thing is a question of opinion, it can only be such; but certainly there is no reason why we cannot have one big year in four and the other years built up to what they were.

Hon. Mr. McRAE: The Shuswap Lake salmon were probably the best on the Fraser River. They reached the far upper waters. Are there enough of them to set a bed, or are they all gone?

Mr. FOUND: There are very few left in the Shuswap Lake area. They have been coming back in increasing numbers to the Chilcotin area. We have even had them up to Stewart Lake in considerable quantities.

Hon. Mr. McRAE: That is, the upper river fish?

Mr. FOUND: Yes. That is away up above Shuswap. Shuswap is on the Thompson River. Stewart Lake is away up.

Hon. Mr. McRAE: Don't you think the strongest fish went up to Shuswap Lake, or do they go to the upper Fraser?

Mr. FOUND: There is a theory that has behind it a strong force of argument at least, that it is only the fish that were produced high up the rivers that have the swimming power to get back that far up.

Hon. Mr. McRAE: Quite so.

Mr. FOUND: So whether the Shuswap Lake fish would be better than or as good as the Stewart Lake fish I think would be a matter of very great doubt. I should say that any of these fish that get up to the upper waters are all highly superior fish.

Hon. Mr. McRAE: When we lost the run we lost practically all of the fish that went to the Shuswap Lake country. They were super fish, so to speak. It is not practicable to restock because the present fish have never been raised to that requirement which will carry them back to their spawning grounds in Shuswap Lake. What is your idea about that, Mr. Found?

Mr. FOUND: The proposal to overcome a condition of that kind, if it is really so, is what is called the stepping up process, and it would necessarily take a considerably longer time.

Hon. Mr. McRAE: What would you consider a fair allocation to the Fraser River of the whole expenditure made by the Government for salmon fisheries on the Coast?

Mr. FOUND: I should not like to give an opinion offhand.

Hon. Mr. McRAE: Of course, it is an arbitrary division of the provincial expenditure. A third would not be enough, would it?

Mr. FOUND: I would think it would be more than enough at the present time. You see, the Fraser River is controlled fairly well by the officers of the smaller boats. Nevertheless we have to have the bigger boats down there too part of the time when there is fishing on to see there is no fishing north of the boundary line. We use our boats to such an extent up and down the coast that it is apt to be misleading to make a statement.

Hon. Mr. McRAE: It would be only a general statement.

Mr. FOUND: I would have to have time to prepare it, Mr. Chairman.

Hon. Mr. McRAE: Offhand, I would say a third of our cost might be charged up to the Fraser River.

Mr. FOUND: That would be too much, Mr. Chairman, when you consider the number of boats we have employed in the northern area in the fishing season to prevent seining.

Hon. Mr. McRAE: Would 25 per cent be enough?

Mr. FOUND: That would be nearer it.

Hon. Mr. McRAE: In the Fraser River the Americans catch about two-thirds, we catch about one-third. They are making no expenditure whatever in connection with that effort. In considering our case I presume we ought to pro rate the overhead of our fishery officers on the Coast as well as incidental

expenses of boats, inspection, and that sort of thing. If we had some idea of the expenditure on that basis, I think it would be a guide to the Committee.

Mr. FOUND: I shall be glad to prepare a statement and place it before the committee. I think it would be safer for me to do that than to attempt to deal with it now.

Hon. Mr. McRAE: In the statement which Mr. Found filed the other day I see on page 3, Biological Board, \$940,000.

Mr. FOUND: The first column gives the total of all those that are across the next three pages.

Hon. Mr. McRAE: That takes the whole total in?

Mr. FOUND: Yes, sir, for each year.

Hon. Mr. McRAE: You have it all totalled here in the \$11,762,000?

Mr. FOUND: For that number of years.

Hon. Mr. McRAE: That is roughly \$12,000,000 expenditure and \$2,000,000 revenue.

Mr. FOUND: Our revenue has gone away down compared with what it was in the early years owing, amongst other things, to the Privy Council decisions.

Hon. Mr. KING: Revenue represents what has been obtained from licences, seizures and things of that character?

Mr. FOUND: Licences, forfeitures, and fines.

Hon. Mr. McRAE: I think, Mr. Chairman, it would be interesting to have Mr. Found's idea as to what can be done to increase this revenue so there will not be such a drain on the treasury as there is at the present time.

Mr. FOUND: The situation must be approached from two points, one, that of the Government, the other, that of the industry. From the standpoint of the industry, the Provincial Government makes a very heavy drain in the way of fees. Its fees are eminently larger than are the Federal fees. You will notice, speaking from memory, back in 1919 and 1920—

Hon. Mr. McRAE: 1919 was a very good year.

Mr. FOUND: We started to bolster up our revenue. The matter was being approached at that time—that was before the province had control of the canneries—from the standpoint of making expenditure and revenue, so far as administration itself is concerned, come more closely together. With that in view the number of certain kinds of licences was being limited—canning licences, seine licences—and there were very large fees as compared with the present fees. But following an investigation made in 1922-23 by a Fisheries Commission, that policy was entirely changed, and it was decided that our fees should be in the main nominal, I would say, rather than otherwise; and that course has been followed since so far as the Federal Government is concerned. The provincial fees, however, are quite a drain on the industry.

Hon. Mr. LITTLE: They have increased as the federal fees have gone down.

Mr. FOUND: They have taken over the fees. You see, prior to 1928 the Federal Government was controlling the canneries, and not only charged a licence fee but a fee on each case of fish put up. All of that was found to be ultra vires, and then the province immediately arranged its legislation to impose fees in these directions. But recently it has changed its legislation. I have a statement here somewhere of the relative fees.

The CHAIRMAN: We still have power to charge fees on fishing.

Mr. FOUND: On fishing.

The CHAIRMAN: Not on canning at all?

Mr. FOUND: We can tax, but not as an administrative fee. Under the constitution the Federal Government can tax anything it likes, but not by way of administration.



Hon. Mr. McRAE: At the moment there is a dual control: the province handles the licences of the canneries, while the Federal Government handles the fisheries.

Mr. FOUND: The province also imposes a direct tax. On a salmon gill net the federal fee is \$1; the provincial tax, \$2.50. On a salmon purse seine licence the federal fee is \$20; the provincial tax \$25. On a drag seine the federal fee is \$20; the provincial tax, \$25. On a trap net the federal fee is \$50; the provincial tax, \$100. And so on all through the fishing.

Hon. Mr. McRAE: It is another case of duplication of control and taxation as well.

The CHAIRMAN: Has the authority of the Dominion ever been tested out?

Mr. FOUND: Oh, yes. The legal standing has been determined.

The CHAIRMAN: Both the Dominion and the province have authority to tax?

Mr. FOUND: Yes, sir. The province has authority to tax under property and civil rights.

The CHAIRMAN: I was wondering whether the Dominion, in the interest of the country as a whole, could put on a tax.

Mr. FOUND: They can tax anything they want to, but under the law the administration of the fisheries in tidal waters is exclusively a federal function. As an administrative measure the Federal Government can charge fees for the control of those fisheries. You can call those fees a tax if you like, but that is not done under the ordinary taxation process. Over and above that, it becomes a matter of policy.

There is dual control, in that we must regulate the fisheries, no matter where they lie, even in a private lake; but the administration of those fisheries in non-tidal waters is provincial matter; in tidal waters it is federal.

Hon. Mr. McRAE: Do you not think the administration is greatly weakened by the advent of the province into the picture? To put it another way, I will say I think it is, and will ask your opinion.

Mr. FOUND: As a matter of administration dual jurisdiction is certainly not satisfactory, and is costly.

Hon. Mr. McRAE: Have you any idea, Mr. Found, as to improving the revenue from those fisheries so that there will not be such a heavy drain on the treasury?

Mr. FOUND: The fishing industry at the present time does not seem to me to be in a position to stand any more exactions than it is now bearing, keeping in view provincial taxation.

Hon. Mr. KING: And it would not be wise—

Mr. FOUND: Our fees are largely nominal. We are bearing all the expense, but the revenue is largely provincial.

Hon. Mr. LITTLE: In 1919 the expenses were \$532,000, and the revenue \$270,000. Last year the expenses were \$598,000, and the revenue dropped to \$26,000. It does seem ridiculous.

Hon. Mr. TAYLOR: That is because the Government used to exact a \$5 fee from every fisherman.

Hon. Mr. LITTLE: But the Federal Government has become very lenient, and every time it has stepped down the province has stepped up.

Mr. FOUND: We had a big cannery licence fee, and a case tax fee.

Hon. Mr. McRAE: The revenue has got down to an average of about \$25.00 a year. The Federal Government might as well be carrying on gratuitously. It is an absurd situation.

Hon. Mr. LITTLE: What was the last year in which we collected the cannery licence?

Mr. FOUND: 1927 or 1928 was the last year of collection.

The CHAIRMAN: There was a big drop of revenue in 1927.

Mr. FOUND: There was a drop before we stopped collecting. A large number of people failed to pay, and we could not force them to pay when the case was going to the Privy Council, and we had to give back the fee to those who in good-faith had paid it.

Hon. Mr. McRAE: If you had the salmon fishery as your own, could it be made to pay?

Mr. FOUND: I think so, sir.

Hon. Mr. McRAE: That of course would be a drastic change in the present principle.

Mr. FOUND: It would do away with the principle of the public right of fishing in tidal waters—

Hon. Mr. McRAE: Do away with the public right? It would be under certain licences, wouldn't it?

Mr. FOUND: It would very greatly restrict the public right—

Hon. Mr. McRAE: Do you think this fishery could be carried on for the benefit of the state without loss of revenue?

Mr. FOUND: If it were carried on by the state, yes. Quite so.

Hon. Mr. McRAE: That brings up the question of whether the state should keep in mind economies in the industry, having regard to making a profit out of it for the state instead of making a contribution—a contribution which last year ran to \$575,000 for the fishing business on the Coast.

Mr. FOUND: That is so, Mr. Chairman. But isn't it only one side of the picture? What is the industry worth to the country?

Hon. Mr. KING: In 1933 the industry earned \$12,019,000.

Mr. FOUND: Ordinarily the fishing industry of British Columbia is worth \$25,000,000 a year to the country.

Hon. Mr. McRAE: The value to the country would not be reduced. The opportunity for employment might be reduced, but the value would be the same.

Mr. FOUND: As trade and commerce, yes.

Hon. Mr. McRAE: Trade and commerce would be the same.

Mr. FOUND: Except to the extent that you would limit fishing so that it would be carried on entirely from the viewpoint of economy instead of from enabling as many people as wish to take it up as a means of livelihood.

Hon. Mr. McRAE: Such a regulation would have a tendency to ensure the supply. Would you be better able to regulate it?

Mr. FOUND: It would make it simpler, of course.

Hon. Mr. McRAE: What I am coming up to, is this—I know it is not a popular view—that there are two groups of people in our country who think they have vested rights in this industry, namely the cannery men and the fishermen. My contention is that under normal conditions, when unemployment is not an issue, the fishery belongs to the state; and in view of the situation that has developed, if we are going to preserve the fishery, it looks to me as though the state has got to take it over and protect it on a basis that will ensure continuity; and, in the second place, stop the drain on the public treasury. Do you not think it can be done?

Mr. FOUND: Well, as I said before, if the Government were to go into the business of running the fisheries, or were to hand them over to some con-

cern that would do so entirely from the standpoint of making money and conserving it, I think it could be done.

Hon. Mr. KING: But after all, isn't this industry like other industries? Take the lumbering industry, for example. What happened in British Columbia and the Eastern Provinces would probably never have happened if the state had been running the business. But a certain procedure has been followed, and I think it will be many years before you change it.

Mr. FOUND: If you ask my opinion as to its feasibility, I would say it is not practicable, particularly when you come to a sea fishery.

Hon. Mr. McRAE: We are only talking about salmon. What the doctor says is true, but I would remind you that the Federal Government owned timber in that country and sold it by auction to the highest bidder, and he operated under lease subject to change from time to time. I have it in mind that some arrangement along the same line in regard to the right to fish would make it possible to conserve the fisheries and at the same time stop the drain on the treasury. The situation is complicated, of course, by provincial rights coming into the picture.

I want to ask you this question frankly, and I ask it without reference to either party. How serious a part has political influence played in the fishery conservation on the Pacific coast?

Mr. FOUND: In recent years we have had hardly anything that could be called interference.

Hon. Mr. McRAE: How recent?

Mr. FOUND: A good many years, possibly twenty years.

Hon. Mr. McRAE: Not as long as that. I have been in the game longer than that.

Mr. FOUND: It depends on what one's viewpoint would be. In the very nature of things, those who represent the people have views; but in my experience I am bound to say I have found the representatives of the people to be reasonable when it comes to matters of what is considered for the benefit of the fishery.

Hon. Mr. McRAE: Of the fishermen?

Mr. FOUND: Well, when it comes to licence fees, and so on, that is another matter.

Hon. Mr. McRAE: Our revenue has dropped off to \$26,000, and we spend roughly \$600,000. So the interests of the public treasury have been overlooked. I quite agree with what Mr. Found says, that the industry can stand no more at the present time, but it seems to me that when business gets better this industry has to go back to a more nearly self-supporting basis, or at least to a basis as good as that of ten or fifteen years ago.

The CHAIRMAN: Would you say that political pressure had had much to do with the reduction in the revenue?

Mr. FOUND: The reduction of revenue in British Columbia, as I stated before, was decided upon following the report of a Commission that was recommended by the Fisheries Committee of the House of Commons to investigate the fisheries. That Committee went carefully into the whole situation, and reached the conclusion that in that respect the department's policy was wrong. Its report was approved and the policy was changed, and that changed policy has been maintained ever since.

The CHAIRMAN: What year was that?

Mr. FOUND: The Committee was appointed in 1922, I think.

Hon. Mr. KING: Or 1923.



Mr. FOUND: I think it submitted its report in 1923.

Hon. Mr. McRAE: It apparently was acted upon in 1927.

Mr. FOUND: The big fall in revenue in 1927 was due to the Privy Council case. We had a \$500 licence fee for traps and purse seines at that time.

Hon. Mr. KING: And that was reduced to what?

Mr. FOUND: \$20.

The CHAIRMAN: I think we might take up the proposed treaty now. Have any members of the Committee questions to ask? Perhaps Senator Taylor has some?

Hon. Mr. TAYLOR: My interest here is almost solely in the treaty. As I know the administration of the fisheries in British Columbia, I have nothing but admiration and praise for it. I have no desire to discuss that at all. I have had my eye on it for forty years, and the fisheries have been well administered. They are administered, though, under direction from Ottawa, and particularly under the direction of instruments like this proposed sockeye fisheries convention. I am quite sure that this was never made in British Columbia, possibly not even made in Canada. It has all the earmarks of having been made in the United States of America, to join our sockeye salmon fisheries to the other branches of the fishery which we have given over to American control. When this convention first came before Parliament it was not received at all with the acclaim which we have heard greeted it when it was passed through both branches of Parliament and through the Congress of the United States. On the contrary, it met with a rebuff that I think was never before experienced by any diplomatic document. That is, when it was first introduced, about 1925, the provisions were found to be so extraordinary, so damaging to the prospects of Canadian interests, that a strong government, which had a big majority in the House of Commons and was able to pass anything it desired, voluntarily withdrew it, and the thing did not come back again until a couple of years afterwards and then in a very much amended form.

As I see it, this treaty is based on absolutely wrong premises and on the promise of something that it is impossible to do. The wrong premises are these, as stated in Article VII:—

Inasmuch as the purpose of this Convention is to establish for the High Contracting Parties, by their joint effort and expense, a fishery that is now largely non-existent . . .

That is the part which I say is absolutely contrary to the fact, for the fishery is not largely non-existent, and is not threatened with any such fate. As I see it, the promoters of this treaty took advantage of the occurrence at Hell's Gate in 1913. There is no question that that was an interference with the part of the sockeye fishery having its origin above 150 miles up the Fraser river, that is above Hell's Gate, but I have never been satisfied that that was the sole reason for the disappearance of the sockeye. I have always felt that there was some entirely different reason, unknown to the Department of Fisheries but which I did feel it should have been at some pains to ascertain. Instead of that, we have had it rubbed into us year after year that the paucity of our fishery was due solely to the occurrence at Hell's Gate. If that were so, it would not likely be possible to remedy the conditions there and we would have to say good-bye to the sockeye. But while we still laboured under that misapprehension, Providence in its wisdom restored to us a couple of years ago the largest sockeye run that we had had for nearly twenty years. The bluebooks that I have here congratulate the people of British Columbia on the operation of the salmon fishery and the advent of the finest year that we had had. But that very year, when we were being complimented on the restoration of our fishery, this proposed treaty comes before the Parliament of Canada and the Congress of

the United States, containing the statement that our sockeye fishery is largely non-existent. I challenge that statement, and I suggest that if for no other reason a treaty with a statement so erroneous as that should not be allowed to remain further before the public at Washington.

As to why the treaty was delayed so long at Washington, the reason is very well known and I think it should be stated to this Committee by any person who assumes to deal with the subject. When the first treaty came up there was only one substantial interest in the State of Washington, that was the trap owners, who had the whole thing in their own hands, a very rich prize. There came into prominence immediately afterwards the seiners, with their immensely improved seining apparatus, set out on a scale never before imagined as possible, and proposing to seine off the mouth of the Juan de Fuca strait, so that they would intercept the salmon coming into the Strait and destroy the trap owners' business. The trap owners, realizing that if the seiners were permitted to seine right up to the entrance to the Strait, the supply of fish for the traps would be very much diminished, started a lobby which has been maintained at Washington ever since, to prevent any conclusion of the treaty that would bring such a situation about. The provision which it has been attempted to have placed in the treaty in that connection has been one to extend the operation of this treaty, and the jurisdiction of the proposed commission for fifty miles, I think it is, outside the entrance to the Juan de Fuca Strait—at all events so far out that the seiners could not successfully arrest the schools of salmon making their way into the entrance of Juan de Fuca Strait.

Our only protection at Washington at the present time is that the seiners are determined they will not be shut out from their profitable exploitation, and the trap owners are determined that they will be. As I see it, we are protected at Washington by this want of reconciliation between the two interests, and we have no other protection. If they can ever come together, we will be handing over the control of our fisheries to an international commission for sixteen years.

What would happen to the fishery, to the people who make their livelihood out of this fishery, that is the gill netters? There are, I suppose, 3,000 gill netters resident on the Fraser river, who would be utterly ruined if they were deprived of their right to fish. They have small farms on shore, little gardens and areas where they raise chickens, but their ready money, the money which makes it possible for them to continue in that locality, comes from their fishing. If their livelihood from fishing is taken away, the homes of those 3,000 people will become vacant and worthless, and the people themselves will have to move into the cities where they will add to the numbers of unemployed who are already a big problem there. This will come about because of Article VII, from which I have already quoted, which reads as follows:—

Inasmuch as the purpose of this Convention is to establish for the High Contracting Parties, by their joint effort and expense, a fishery that is now largely non-existent, it is agreed by the High Contracting Parties that they should share equally in the fishery. The Commission shall, consequently, regulate the fishery with a view to allowing, as nearly as may be practicable, an equal portion of the fish that may be caught each year to be taken by the fishermen of each High Contracting Party.

Now, all those fine words are killed by the little sentence "as nearly as may be practicable," because the suggestion is absolutely impracticable. I do not think anyone connected with or outside the Department will attempt to show how effect could be given to that condition, that the trap fishermen of the State of Washington and the gill netters of the province of British Columbia could share equally in the fishery.

Just vision what could happen there. A school of fish is reported from the gulf, and it comes in. It does not rush into the traps at Point Roberts and up the Fraser River at the same time. The school comes in leisurely, not quite ready at the moment to enter the fresh water of the Fraser River, and it circulates around Point Roberts. It remains there for several days, sometimes a week. The traps are open all the time, except of course during the closed season of a week. The salmon goes into the traps—often as many as 50,000 or 100,000 are caught in a big trap.

The Commission say to the trap fishermen: "You have had a week of this fishing. Now you will close your traps and take no more fish. You will let the Fraser River have the rest." By that time there is no "rest" because the fish come in in a series of rushes, lasting five or six days at a time, and then there is an interval until the next school comes along.

So to suggest that the traps may have the first week and the gill netters the next two weeks, would be absolutely absurd, for it would likely happen that during the gill netters' two weeks there would be no fish available at all.

You cannot indefinitely prolong the closed season at any cannery, because the cannery hires its help and has to pay them or they disappear. All the canneries on the Fraser River are equipped and staffed all ready for the Commission to open the fishing on the Fraser River. The same applies to those on the American side. They have all got to prepare beforehand.

You may say, "Well, it should be within the ingenuity of the Commission of six, about to be appointed, to find a way of meeting this objection." And there is a way, but it is fatal to the great majority of those who make their living out of the fishing. When my good friend Senator McRae talks about the interest of the state, it seems to me that is the interest of the common people who make up the state. I agree with him that the state has a very real interest, which it should be our first concern to protect. As I interpret that interest, my first concern is to protect our citizens who reside on the Fraser River.

The Commission have it in their power to say, "This is just too bad. Here we have a treaty entered into for 16 years, without any possibility of amending it. The treaty provides that we should share and share alike in the fish. With fishing traps on one side and gill nets on the other, we cannot do that. It is too bad that we should have to call off the gill nets, but with the 16 years ahead of us we must do that, and we must put traps on the Canadian side, if it is possible to have them there during the period of this treaty. We are sorry, but that is the best we can do."

In my opinion that is a trap laid for the people of British Columbia to induce them to accept this treaty, in the hope that they may not realize what is going to be the consequence.

The treaty goes on with great particularity to ensure to the people of the State of Washington that they will be permitted to continue the use of traps. This permission is contained in the words that, "apart from the closed seasons provided by the treaty, whenever fishing is permitted it shall be permitted with any instruments or gear permitted by the local authorities, whether provincial or state."

So that instead of trying to give our gill net fishermen some show for their money and insisting that while the treaty is in force unequal methods of taking salmon in traps must be abandoned, we expressly reserve to the trap fishermen of the State of Washington the right to use their traps whenever any fishing is permitted during the whole of the next 16 years.

It is no answer to say that the Canadian Government can allow our fishermen to use traps. That does not help our gill net fishermen, whose homes and thousands of dollars worth of small boats and nets will be utterly destroyed.

That is why I ask that this treaty should be withdrawn. It is not necessary to enter into anything controversial between one country and another. It is sufficient to say, "You have had this proposed treaty before you now for



four years. You have seen it passed by the Senate and the House of Commons of Canada, but you have declined to accept it. Conditions certainly have changed. The sockeye salmon have returned in larger force than they ever did before, the menace which perhaps did exist at one time no longer confronts us. Therefore we should like to have this treaty withdrawn. If it is found in the public interest a revised treaty will be submitted at a later time."

That, honourable gentlemen, is my idea of the matter. I do not think it is necessary to labour it in any way. It was upon those premises and with that idea in mind that I asked to have the proposed treaty referred to this Committee for reconsideration.

I see present Mr. Tom Reid, of the House of Commons. He has a very strong interest in this matter on account of his constituents, and I would suggest, Mr. Chairman, that the Committee should hear him.

The CHAIRMAN: We shall be very glad to hear him.

Hon. Mr. TANNER: Senator Taylor, does not this treaty provide any machinery for making the distribution that you spoke of?

Hon. Mr. TAYLOR: Not the slightest.

Mr. FOUND: Yes, Mr. Chairman, if you will allow me—

Hon. Mr. TAYLOR: Before Mr. Found speaks, Mr. Chairman, I have something to say. I am becoming a little bit restive of having every effort on my part for the fishery interests of British Columbia officially opposed by the representative of the Department. I do not think that is fair. The duty of the Department is to administer the will of Parliament, not to impose its will upon Parliament. At a meeting in New Westminster attended by eighty or one hundred men whose homes are menaced, when I asked Mr. Found how he proposed to administer this section he answered, "I would hate indeed to have the responsibility of administering a section like that."

Hon. Mr. McRAE: Mr. Chairman, I may be able to throw a little light on this treaty, for I was the one who led the fight in the House of Commons in 1929.

My principal objection was to that part of the treaty which gave the Commission the right to own hatchery sites. I took the ground that this would prejudice our sovereign rights. In the revised treaty, which was submitted the following year, that clause was withdrawn, and I voted for the treaty.

Hon. Mr. TAYLOR: General McRae, will you say this: Are you satisfied that the cultural operations in British Columbia are well conducted?

Hon. Mr. McRAE: No, I am not.

Hon. Mr. TAYLOR: I am.

Hon. Mr. McRAE: I am not sure that they have yet solved the question. There is still some doubt as to what are the best cultural methods.

Hon. Mr. TAYLOR: Our authorities are very familiar with the American theories and practices in cultural operations, particularly in Alaska where they are making their great success. What benefit would we get by handing over half of the control of our cultural operations to the Americans when we already have the advantage of knowing everything they are doing along that line?

Hon. Mr. McRAE: The 1930 treaty extended the jurisdiction of the Commission over the shore beds west of Vancouver Island, the idea being, as Senator Taylor said, to control the seiners. The seiners had become such an important factor that any treaty which did not control seining could not have the situation in hand. That was the viewpoint of the Americans.

Answering Senator Taylor, I think the real object of the treaty is this. Some kind of joint agreement with respect to allowing a proper amount of seining. The Americans had been catching two-thirds of the fish. Under this agreement there is to be a fifty-fifty division, left to the Commission to regulate.

I do not know how else you could do it. I am quite content to accept that as a working out of the distribution, we applying our regulations, whatever they may be, and the Americans theirs. One year you would have a short season and the next year a long season. This would be no more agreeable to the fishermen of one country than to those of the other. I think if this is worked out properly the river could be put back to something resembling the conditions of years ago.

I am in favour of the treaty. There is something in what Senator Taylor said about withdrawing the treaty, it having been before the United States for four years. But I should like to see it passed. I do not think the situation has changed materially enough to warrant the opening of new negotiations. I think the terms of the proposed treaty are the best that could be worked out.

Hon. Mr. TANNER: Why do not the United States approve of it?

Hon. Mr. McRAE: This treaty was framed to include this territory, and the understanding was that it would first be passed by the Senate at Washington, because then the seiners would wake up too late. But in the throes of an election the treaty was passed here first, and the seiners had ample time to raise such a row in Washington that the treaty could not get through; and it never has gone through owing to the hostility of the seiners.

Hon. Mr. KING: Senator Taylor complains of Article VII. We must first realize that this is an international agreement, and that while there may be things in it we do not like, there are other things that undoubtedly the Americans do not like, because they have refused to accept it. It is an agreement drawn on the advice of those who are conversant with the interests of the two countries and is regarded by them as a fair document to submit to the legislative bodies of those two countries.

The senator voices opposition to the Treaty of 1929. It would not be wise, and it is not necessary to go into any controversy in regard to that. It is past. There were two changes made in the Treaty of 1929. The first was one whereby the facilities on the Fraser river, previously owned by the Commission, became the property of the Canadian Government to be used by the Commission. In 1929 the Justice Department advised that there was no loss of sovereignty; that at the expiration of the treaty this would return to the people of Canada.

Hon. Mr. McRAE: That is just a lawyer's opinion.

Hon. Mr. KING: That is a lawyer's opinion.

The important feature, as I see it, is the extension of the boundary. That came about when it was found that the seiners were going outside the usual area, and the American people, as well as our own people, realized that the boundary should be extended, and it was extended.

We have been dealing with two treaties heretofore, the Pelagic Sealing Treaty—which we discussed very thoroughly, and which we know from experience and the evidence given here has resulted in restoring a valuable fishery. Whether we get the percentage from it that we should get or not is not a matter for us to consider now. From our inquiry into the Halibut Treaty it would seem that it had brought about an improvement over the conditions that prevailed before. I understand the senator's difficulty in regard to the fishermen on the Fraser. But it would not be correct to say that the trap fishermen would be allowed to catch all the fish before they come to the Fraser. Both parties have their responsibilities, and it would be the duty of the Commission to arrive at some formula whereby the fish would be distributed equally as far as possible.

The CHAIRMAN: Are they not using traps at present?

Hon. Mr. KING: We do not use them. The Americans do. I know very little about the fishing, but I think it can be said in reference to conservation that the use of the trap could be controlled better than that of any other device, because the trap can be closed when you do not want to fish. But as far as

we are concerned, it has not been the policy of any government to allow trap fishing.

Mr. FOUND: Except on the southwest coast of Vancouver Island, which is competing in this area.

Hon. Mr. KING: It is true that there was opposition to the treaty when it was before Parliament, but at the same time those who were very closely associated with the fishery, and the provincial Government, thoroughly endorsed the treaty.

However, the treaty did not pass in 1929, and we have the new treaty with the two amendments that I speak of. It would seem to me that perhaps we lost an opportunity in 1929, because we were advised at that time that the Washington interests were ready to accept it and had withdrawn their opposition. Since then that opposition has been revived. As for the withdrawal of the treaty, that is a matter of Government policy. This committee might make a recommendation, but I should like to have an opportunity to very seriously consider it before being a party to it.

The committee rose until 3 p.m.

The Committee resumed at 3 p.m.

The CHAIRMAN: I have two letters here, one from Mr. Found to Captain Dennis, Acting Chief of the Naval Service, asking for information as to the cost of the seal patrol service, and Captain Dennis' reply.

(The Chairman reads the letters.)

Hon. Mr. McRAE: That is a little more of the same kind of nonsense that we have been getting for a long time, Mr. Chairman. I suggest we ask for the log of the last three years, showing the days that have been spent on this work. Personally I have been disgusted with that sort of procedure on the part of the navy for a long time. The idea that a boat running on the high seas at that season of the year is on training work, is absurd.

Mr. FOUND: I tried to convey to Captain Dennis as clearly as I could what I understood to be the wish of the Committee. Would it not be well if the Secretary of the Committee would write for the log, Mr. Chairman?

The CHAIRMAN: Yes. I think it would be better for the Secretary to write, and ask for the log, showing when the boat was actually patrolling.

Perhaps this would be a convenient time for Mr. Found to give us an outline of the work of the Commission on the culture and propagation of salmon.

Mr. FOUND: Mr. Chairman, the question of artificial culture of salmon from the commercial standpoint has been one on which there has been a good deal of difference of opinion for a number of years. At least there was in the earlier years a good deal of difference of opinion. Certain knowledge was available. We know, for instance, that while under natural conditions say upwards of fifteen per cent of the eggs that are laid are fertilized and hatched, under artificial conditions we feel we are doing very badly when we do not get 90 per cent of the eggs that are collected, hatched. In fact on occasions we get very much more than 90 per cent. We know that we can distribute to the areas in which they would have been naturally hatched, active young fry to the quantities that I have indicated. What the return from that fry is to the commercial catch is a matter of conjecture, and has been everywhere. Hence it was decided ten years ago that we should seek to replace opinion by knowledge. There was only one way to do that, namely, by getting some controlled area and make an investigation. It seemed to be a long time to have to wait, but in view of the importance of the matter it was considered the best thing to do. The Biological Board went into the matter very carefully, and after a good deal of investigation Cultus Lake, a tributary of the Fraser, was chosen, because that area could be under absolute control—that is we could control all the fish going



into it and the young fish going out of it. One year all the fish that come into the lake are allowed to go to their natural spawning grounds and spawn naturally. The resultant fry are counted, and on the basis of what would be a reasonable number of eggs per fish the investigation determines the return of healthy young fish to the sea. These fish are also marked very largely, to determine as far as possible the number that will come back—

The CHAIRMAN: How do they estimate the number of young fish?

Mr. FOUND: Just count them, sir.

Hon. Mr. McRAE: There is a kind of runway that the fish go through.

Mr. FOUND: There is a fence put right across the stream there, and the young fish going down are led in to compartments and they are counted and then let go. The investigation is being efficiently and carefully carried out. The next year the operations are entirely confined to planting eyed eggs, that is eggs that have been placed in the hatchery until the eye of the young fish begins to show through the shell. When the egg reaches that stage it can be carried long distances, as compared with other eggs. These eyed eggs have been the means of stocking areas remote from hatcheries and which could not be stocked by young fry or green eggs. The next year no fish are allowed to go into the lake at all, they are all taken and stripped. That is, the eggs and the milk are taken from them and the eggs are hatched, planted in the proper waters tributary to the lakes, and the young fish are counted out.

Now, that is being done by each of these methods. We are also testing out the advisability of rearing the young fish to different ages. It has been carried on for ten years. Two years hence we shall have covered four cycles for each method, and we are waiting with some anxiety for the report of the investigators as to whether the expense involved in artificial hatching for commercial purposes is warranted by the return as compared with the results from natural production.

Meantime the Department has not been expanding its commercial salmon operations. We have on the Fraser two hatcheries, one at Pemberton and the other at Pitt Lake, which, as I said this morning, cost about \$13,000 per annum to operate, in addition to the Cultus Lake hatchery, which is on the Fraser River and the results from which go to the Fraser River. It is costing more than it otherwise would on account of the investigations that are being carried on. At Rivers Inlet we have one large hatchery that costs approximately \$11,500 a year up and down, depending on repairs and other conditions. On the Skeena there are two hatcheries, one at Lakelse Lake, moderately low down and the other at Babine Lake at the head waters. These cost about \$8,100 each. On Vancouver Island we have commercial hatcheries, one at Anderson Lake and the other at Kennedy Lake, costing \$14,800. We have one main sport fish hatchery at Cowichan and four substations, which are costing us in the vicinity of nearly \$11,000 a year.

Hon. Mr. McRAE: What is a substation?

Mr. FOUND: It is operated for a few months in the year with eggs taken from somewhere else.

Hon. Mr. McRAE: You have nine hatcheries running?

Mr. FOUND: Yes.

Hon. Mr. McRAE: Costing roughly \$100,000.

Mr. FOUND: Yes, Senator McRae.

The CHAIRMAN: Does the Province operate hatcheries?

Mr. FOUND: No, sir. The Province is very much interested at the present time in the development of sport fish, and it has been doing something in that respect. We have been co-operating by helping in every way we can with our available staff without running up too much expense.

Hon. Mr. McRAE: That represents largely items under fish culture running from \$95,000 up to \$125,000?

Mr. FOUND: Yes, sir.

Hon. Mr. McRAE: I want to ask Mr. Found with regard to the merits of the different methods of propagation. There was the old system of rearing the fish in troughs and turning them out when the egg sac was absorbed.

Mr. FOUND: Yes.

Hon. Mr. McRAE: The second method, known as the fingerling method, meant keeping the fish some months until they were about the size of one's finger. The third method is the eyed-egg. Have the Americans gone far enough to determine the relative merits of these three methods?

Mr. FOUND: No, sir. We are the only authority that has gone into a full investigation of the matter.

Hon. Mr. McRAE: The eyed-egg method is comparatively new.

Mr. FOUND: We have been planting eyed-eggs for quite a considerable period. Their efficiency, so far as the investigation has gone, is the lowest of the three.

Hon. Mr. McRAE: How long has the Department been engaged in fish culture?

Mr. FOUND: It was started in a small way at Confederation.

Hon. Mr. McRAE: Not on the Western Coast.

Mr. FOUND: No, sir.

Hon. Mr. McRAE: About thirty years ago?

Mr. FOUND: I do not remember offhand.

Mr. J. A. RODD (Superintendent of Fish Culture): About thirty years ago.

Hon. Mr. McCORMICK: We have had it down in Nova Scotia longer than that, very soon after Confederation.

Hon. Mr. McRAE: We have not found out much yet, Mr. Found?

Mr. FOUND: Not very much from the commercial stand-point so far as the investigation has gone. The investigators, like all investigators, are very careful about committing themselves as to the final report. The time for their final report is fortunately at hand. So far as sport fish is concerned, the evidence is very strongly in favour of what can be done by artificial fish culture.

Hon. Mr. McRAE: The main protection of course is the closed season, extending the boundaries and that sort of thing.

Mr. FOUND: With respect to commercial fisheries, yes, sir.

Hon. Mr. McRAE: Some people out on the Pacific Coast believe there is no other practical method of increasing the salmon except by a closed season and extending the boundaries.

The CHAIRMAN: Reducing the catch.

Mr. FOUND: Reducing the catch and enabling escapement. The agitation—it was nothing short of that a few years ago, as Senator McRae will remember—for the rearing of all young fish to the fingerling stage was very great; but those who are familiar with British Columbia conditions, as compared for instance with Columbia River conditions, will realize what a different proposition we have to handle in British Columbia when you take our ice and snow conditions. Subsequent experience has left grave room for doubt whether results are better than those obtained from the distribution of free feeding fry. The cost would be enormous to carry it out on a big scale in British Columbia.

Hon. Mr. TAYLOR: Mr. Chairman, may I read to the committee the passage to which I referred this morning?

The CHAIRMAN: Yes.

Hon. Mr. TAYLOR: This had to do with the clause in the Sockeye Salmon Treaty with respect to the fishery being largely non-existent. I disputed that and said that at the same time we were having the most favourable reports regarding the fishery.

I read now from page 15 of the Annual Report of the Department of Fisheries for the year 1930-31. This is the report of the Deputy Minister:—

### PACIFIC COAST FISHERIES

The remarkable success of the salmon fishery, from the standpoint of size of runs and quantity of production, overshadowed all else in British Columbia fisheries operations in 1930. So large were the runs, indeed, that had it not been for the restraining influence upon production which was exerted by the unsatisfactory economic conditions obtaining in virtually all markets, the output of British Columbia's salmon industry for the year would have mounted to figures substantially higher than the record-breaking total which was actually reached. These market conditions were so extremely unfavourable, however, that not only was there greatly lessened incentive for the salmon interests to take advantage of the exceptional size of the runs but the year was made one of very serious difficulty for the industry. In this connection it may be added, moreover, that the present outlook is that operations in the salmon industry in 1931 will continue to be attended by a good deal of difficulty because of the depressed and unsettled market situation.

The appearance of the great runs of salmon in 1930 was a reason for much satisfaction, especially since it indicated that the steps taken in recent years to regulate and conserve the fishery have been sound and that there need apparently be no apprehension that the stocks of the several varieties of salmon cannot be successfully maintained for the future. In this connection it is illuminating to look at figures showing the annual production of canned salmon in British Columbia since 1916 as averaged for five-year periods. From 1916 to 1920, both years inclusive, the average yearly pack was 1,349,895 cases. In the next five years the annual average was 1,340,735 cases, but this period included a time of market depression and it may reasonably be assumed that had it not been for this market condition the average canned salmon production would have exceeded that for the previous five years. For 1926-1930 the yearly average was 1,816,754 cases, or an increase of more than 465,000 cases over the figures for either of the earlier five-year periods. This growth in pack indicates clearly that the salmon runs have not been undergoing depletion, although it is properly to be noted that the size of the growth is explained, in part, by greater cannery activity in processing pinks and chums because of an enlarged demand, in more recent years, for these varieties of canned salmon.

The sockeye runs in 1930, especially to the Naas, Skeena, and Fraser areas, were gratifyingly large, and in the case of the late runs to the Fraser system the individual fish were of bigger size, speaking generally, than in most preceding seasons. The year's pack of canned sockeye, 477,678 cases, was the largest since 1914. As compared with the production in the last preceding sockeye cycle year (1926), the 1930 pack represented a gain of nearly forty-two per cent. These figures are useful as giving some indication of the size of the sockeye runs but any estimate of the measure of sockeye abundance during the year must take into account the fact that, in order that there might be no doubt that sufficient fish would be able to make their way to the spawning grounds, the department enforced various "closed times," in addition to those specifically set out in the regulations, when no fishing was permitted. In the Fraser river, for instance, fishing was stopped completely from September 20 to October 20. As a result of the enforcement of these extra "closed times" in different areas the catch of salmon was, of course, considerably curtailed and production figures, therefore,



do not give a true indication of the actual size of the runs. At the same time, the evidence given by the increased volume of canned sockeye production was quite sufficient to show that these fish were running in much greater abundance in 1930 than for years past.

MR. FOUND: Mr. Chairman, I wonder what is the criticism of those statements? Is there anything involved? I have said nothing to the committee that is in conflict with them. That comparison is made of course since the debacle took place in the Fraser River. The pack that year was possibly the biggest pack on record.

HON. MR. TAYLOR: Mr. Found, I cannot read from your own report without your finding fault.

MR. FOUND: I am finding no fault.

HON. MR. TAYLOR: I said this morning that while there may have been ground for the suggestion that the fishery had become depleted in 1925 when this Convention originated, the first one was made in—

MR. FOUND: 1929, sir.

HON. MR. TAYLOR: If you will permit me, Mr. Found. It did not originate in 1929. It was a matter of discussion for some time before, as those things usually are. But I said before this was put in in 1930 we actually had reports from the Department that the sockeye salmon run had been restored to a greater degree than ever. Therefore the suggestion that the fishery had become non-existent completely disappeared. Now, why should you, as an officer of the Department, dispute that? Are you not glad it is coming back?

MR. FOUND: Mr. Chairman, the figures are before the Committee as to what the Fraser River has produced each year since 1909.

You are shown that in 1909 the production—

THE CHAIRMAN: 1914, I think it is here.

MR. FOUND: 1909, the Fraser river. The production of salmon of the sockeye species that year in Canada was 585,435 cases; for the whole area, 1,683,339. In 1913, the last big year, in Canada the sockeye pack alone was 736,661 cases; for the whole area 2,409,760 cases. You have the figures right down to 1933, when the pack was 178,204.

If the term in the treaty, which so far as I know has not been taken exception to before, is figuratively not correct when it says it is largely non-existent I am unable to appreciate it and I submit that the figures at least speak for themselves as to what the percentage is.

Now, to come to the situation that is dealt with in a recent report, we are dealing with a situation as it is and as it has been for a number of years. As I tried to explain to the Committee this morning, we are watching the runs of fish to the different areas each year, and I do think—and I was very pleased to see that the senator supported the view—that the necessary care is being taken where it is found to be essential to prevent a downward trend. With the Fraser river that cannot be done. 1925 was not the start of negotiations. Since 1905 there has been almost continuous negotiation looking to the rehabilitation of a fishery that would be worth a great many millions to this country and this continent if it were rehabilitated. If I have failed to make that position clear, I am sorry, for I have sought to do so.

HON. MR. TAYLOR: My point is that I am trying to do something for the fisheries of British Columbia, and I am met after every sentence with the hostility of the sole representative of the Department. If we had a Minister here I could talk to him, of course, with more advantage. But we have not the advantage of that. I do not think it is up to the officer administering the department to dispute the possibility of doing something other than he has laid down.

THE CHAIRMAN: He is only pointing to the record, as I see it, of the average catch or pack of salmon.

Hon. Mr. TAYLOR: But I am trying to bring information before this Committee, and the Deputy, with all due respect, seems to be trying to brush away the information as fast as I can give it. I quote his own report—a most encouraging report—but what happens? He says, “What of it?”

Mr. FOUND: I say what of it as far as it concerns the matter of rehabilitating the Fraser river run of sockeye.

Hon. Mr. TAYLOR: It concerns the excuse made for this treaty, that the fishery has become largely non-existent, and that therefore we must call in a delegation from the United States to help us in our cultural operations. I do not think that is necessary or called for, and I say the ground on which that is urged has totally disappeared by reason of the recent experience of the return of a satisfactory fishery.

Hon. Mr. KING: Do the records show that?

The CHAIRMAN: I think Mr. Found might give a short outline of the conditions at present, and state what is the likelihood of building up the salmon on the Fraser river under this convention.

Mr. FOUND: Under this convention?

The CHAIRMAN: Yes, by this convention.

Mr. FOUND: Yes, sir. Under the existing condition the fish coming in from the ocean and going back to the Fraser river to reproduce, largely and first—that is, first, after they pass the southwestern end of Vancouver Island—pass through United States waters where we have no control and where, throughout the years, since the fishery has become large, the greater percentage of the catch has taken place. Unless we can get a fair escapement from that area, if we are to build up that fishery we must do it at the expense of our own fishermen with the fish that have been allowed to escape beyond that area. Now the question has been raised, and by the Fraser river fishermen themselves, time and again, that if the United States are not prepared to do something to help us build up the fishery for all concerned, why not let us take the other course and finish the run in the Fraser river, which we could do, and in comparatively few years settle the whole question by catching all the fish that were allowed to escape beyond the United States boundary.

Hon. Mr. TAYLOR: You don't mean that any fisherman has suggested that.

Mr. FOUND: It has been suggested at public meetings held by fishermen in New Westminster on more than one occasion.

Hon. Mr. TAYLOR: Not by fishermen.

Mr. FOUND: Fishermen's associations.

Hon. Mr. TAYLOR: By foolish governments that have gone out of office.

Mr. FOUND: I am speaking of meetings I have had with fishermen there, that have always been very satisfactory as a whole.

As I said before, it was realized as far back as 1905, when a big year was still a big year, that the situation was an unfortunate one and should be amended as the off years were playing out. And from that time on negotiations have taken place. It would take me a little time to go over them. Two treaties were signed between Canada and the United States, one in 1908 and one in 1919, for the rehabilitation of the Fraser river, apart altogether from the treaty of 1929 and the subsequent one of 1930, which modified it. If I have failed to make my position clear, I am sorry. I have not tried to be hostile and I hope the committee have not felt that I was hostile; but when statements are made that seem to reflect directly on the department, and on a certain officer in the department, I have tried, as I thought the committee wished me to do, to place clearly before the committee what I saw to be the facts.

The CHAIRMAN: I think it is just a difference of opinion on the matter. The senator thinks the fish are coming back entirely without any assistance from the convention.

Hon. Mr. TAYLOR: That is what the report says.

Mr. FOUND: And let us not forget this one thing: that in 1926 and 1930, and possibly in 1934 again, we will have quite a big run of what, unfortunately for us, is a second quality of Fraser river sockeye—something that never entered the picture in the big days. They are known in the industry as late run fish. When they enter a river they have become so soft that they make a second quality of product.

Hon. Mr. McRAE: Where do those fish go? Harrison Lake?

Mr. FOUND: A number go to Harrison Lake, a number go below the Gate, and a number have gone above that.

In 1927 the pack of fish after the 17th of September—a date at which those who are familiar with the fishery in the olden days know the fishing was over—was 21,630 cases, or 38 per cent. In 1930, after the 13th of September there were 21,252 cases, or 22·8 per cent put up. In 1931, after the 19th of September there were 13,268 cases or 35·7 per cent put up. It would be vastly better for us if those were early fish.

Hon. Mr. TAYLOR: What is the reason that you cultivate the use of the late fish for breeding purposes, and that in Alaska they reverse that and use the early fish? When the sockeye commence to run in Alaska they provide escapement at the beginning of the run, until such time as they are satisfied that enough fish have escaped. In British Columbia we take the opposite course. Is there any scientific reason for that?

Mr. FOUND: You are speak of a few areas in Alaska, not for hatcheries, but where they have counting fences and allow escapement to the natural spawning areas. In British Columbia we are taking the fish as near to the hatcheries as we can; retaining them when they come up, and holding them there.

Hon. Mr. TAYLOR: But you are getting later every year. When I knew that fishery first the fish came in about the third week in June.

Mr. FOUND: You are speaking of the Fraser river?

Hon. Mr. TAYLOR: Yes.

Mr. FOUND: Unfortunately, that is the trend.

Hon. Mr. TAYLOR: And continued until well on in August.

Mr. FOUND: Quite so. That is the trend.

Hon. Mr. TAYLOR: Now the first fish appear in the Fraser river towards the middle of July.

Mr. FOUND: Quite so.

Hon. Mr. TAYLOR: Is the system adopted responsible for that in any way?

Mr. FOUND: Not our system. It is the catch in the United States, no doubt, taking all the early fish. We are taking the fish and retaining them in our pounds as soon as they get there. We do not let any escape.

Hon. Mr. TAYLOR: But your general close season for the purpose of escapement is at the end of the season, isn't it?

Mr. FOUND: Our close seasons are of two kinds, one weekly and the other annually. The weekly one is regarded by all fishery administrative authorities as a most desirable one, because it allows a proportion of each week's run to get by. The one at the end of the season is not such an important matter.

Hon. Mr. TAYLOR: You remember when Mr. Wilmott was at the head of your culture operations.

Mr. FOUND: That is long before my day.

Hon. Mr. TAYLOR: He was quite insistent on that, although he didn't get his way.



The CHAIRMAN: How is it that the Americans get the earlier ones?

Hon. Mr. McRAE: Because they come through American territory.

The CHAIRMAN: The later ones don't?

Hon. Mr. McRAE: The later ones come from the north.

Mr. FOUND: The situation is an exasperating one: we hatch all the fish, protect all the fish, and get the small share of the returns.

Hon. Mr. McRAE: Perhaps we could deal with the Biological Board just now. The statement which Mr. Found furnished shows clearly the expenses, which total approximately \$940,000 for twenty years. In recent years the expenses have averaged over \$100,000. Why is that, Mr. Found?

Mr. FOUND: When the Biological Board was first formed it consisted only of scientific representatives, the Commissioner of Fisheries being the Chairman of the Board and the other members of the Board being university professors. That situation went on for a number of years—speaking from memory, I think until 1917 or 1918—when the Board was reorganized and by legislation was made to consist of scientific representatives as well as representatives of the industry and of the department. The department itself had felt all along that the Board was devoting itself far too much to what might be called pure scientific investigations, as to the fauna and flora of the sea. After all, these are behind all fish life and are in themselves highly important, but the department was very desirous that what could be better described as applied science should be developed. Following the reorganization of the Board, it was arranged that on each coast there should be in addition to the scientific station that had been established, a station that would be known as a fisheries experimental station, which would do for the fishing industry all that an experimental farm could do for agriculture. That station was established at Prince Rupert—

Hon. Mr. McRAE: When was that station established?

Mr. FOUND: I think it was built in 1925 or 1926. I would like to make it clear to the Committee that in developing fishery scientific work you are met with unusual difficulties, in that universities do not turn out finished men for that kind of work. The men have first to be given the proper education to become good biologists or chemists, or something else, and they become experienced through actual investigation. For that reason it took some years for both the station at Prince Rupert, and the other one that was built at Halifax, to develop a fairly competent staff. That has been done at both places now, and I think some very good progress has been made. For instance, at the Prince Rupert station it has practically been determined how the yellowing of halibut can be commercially prevented.

Hon. Mr. McRAE: This Biological Board does not come under your direction, does it?

Mr. FOUND: It comes under the direction of the Minister. It is a semi-independent institution.

Hon. Mr. McRAE: It is pretty independent, is it not? Do you not think it should be under the department, the same as any other branch is?

Mr. FOUND: It is a matter that I have had different opinions about.

Hon. Mr. McRAE: It has always seemed wrong to me to have those men out there not under the department. It is true the department gives them certain guidance, but they do pretty well as they like, do they not?

Mr. FOUND: No sir.

Hon. Mr. McRAE: Some years ago a bill was brought in to put the Board under the department, but that bill was killed. I presume the situation is unchanged to this date, and it seems to me the Committee might well take cognizance of it.

Mr. FOUND: There is this side of the case that it would be well for the Committee to consider. At the present time the Government is getting through the Board the assistance of a number of the best universities in the country, without any cost, the work that the university men are doing being interlocked with that done by representatives from the department and representatives from the industry. I am not sure that it would be more efficient if we had it absolutely as a scientific division of the department, as it is in the United States and in Great Britain. And certainly our costs are not greater, nor anything like as great, as they are in other countries where the fishing industry is as important.

Hon. Mr. McRAE: The costs are fairly substantial. Surely the universities would not be less sympathetic if the work were done under your direction.

Mr. FOUND: That may be true, sir.

Hon. Mr. McRAE: Is it not a fact that there was a bill brought down some years ago to put the Board under the department? I am certainly of the opinion that it should be under the department.

Mr. FOUND: In the meantime the Board has been working as closely and as earnestly with the department as if it were a division of the department.

Hon. Mr. McRAE: It is not logical that an expenditure of this size would be carried out as well when not under the supervision of the department as if it were under the department. I do think, Mr. Chairman, that the Committee should consider this matter as to whether the Biological Board should not be a branch of the department.

Mr. FOUND: The Secretary of the Board is a member of the department and exercises a great deal of influence.

Hon. Mr. McRAE: You deal with them a little differently from the way you would if they were a part of your staff, is that not so? And I again refer you to the fact that a few years ago you wanted a bill passed to have the Board under your department. I say you were right then, and that such a policy is right now.

The CHAIRMAN: Mr. Reid is here now. If it is the wish of the Committee we might hear him at this time, and allow Mr. Found to conclude later.

Mr. THOMAS REID, M.P. for New Westminster:

Mr. Chairman and senators, like yourselves I am deeply interested in the matter before you, especially as it affects the Fraser river, which is one of the districts that I have the honour to represent.

The CHAIRMAN: Are you going to deal with the subject first from the point of view of this convention for the protection and the maintenance of the fishery, and secondly as to how it would affect the industry?

Mr. REID: I thought I would make first a few remarks dealing particularly with the salmon treaty, which was under discussion all morning. The question of propagation was touched upon by Senator McRae. I feel that perhaps he and I are of the same opinion on the question of propagation. I am still in doubt as to whether the moneys spent in propagation in our province are bringing about as good results as we would like. Last year I took some time to look into the question of propagation in the hatcheries, and I was surprised to learn that in taking the eggs from the fish the procedure is different from the natural one. I say this for the benefit of the members who have perhaps not given the matter such intimate attention as some of us have. According to the information given to me, when the salmon lays its eggs it does not lay all at the one time, they are not all ripe at the same time. But in the propagating, the eggs are stripped all at the one time into the buckets, before the milt of the male fish is placed upon them, with the result that it is only the mature eggs that are fertilized and

there is a consequent loss of many thousands of eggs. The fish itself contains so many eggs which are not all ripe at the same time, and it will lay only so many in an hour or in a day, for instance, if left to its own resources.

Hon. Mr. KING: Could the present situation be overcome?

Mr. REID: I doubt that it could be overcome. Of course, I am only giving my private views. It is a debatable question whether the amount spent on propagation of salmon is warranted by the results.

Coming down to the discussion of the treaty, I agree with Senator Taylor that there are many clauses in it which perhaps go a little too far. And, as he has pointed out with respect to Article VII, some of it is not altogether correct. But viewing the situation as I do out there, I am frank to say that the most desirable thing from the fishermen's point of view is to be placed on a footing of equal treatment with regard to the catch of fish across the line.

The CHAIRMAN: Do you mean to have an equal share in the amount caught?

Mr. REID: Yes. Not over 30 per cent of the fish accrues to the Canadians.

Hon. Mr. McRAE: Do the fishermen feel that under the treaty they would get this fifty-fifty division?

Mr. REID: I would have to say they do. And in my deliberations with them last year the opinion was freely expressed that if the treaty was not going to be signed by the United States interests, they would favour throwing the Fraser river open entirely. I am giving you the viewpoint of the fishermen, not of myself. They say if we are not going to get a fair proportion of the catch, let us fish the Fraser. And they keep that attitude, owing to the fact that the United States in fishing does not impose the same restrictive measures as we do in Canada. For instance, we have certain closed seasons, and during those closed seasons—Mr. Found can correct me if I am wrong—their traps are operating and their seines are operating at the same time. Of course, they shut down when we are doing the same. But it was very noticeable that when they did shut down for any period, the catch was very much greater on our side of the line.

Now, what I think is more hurtful at the present time to fishermen on the Fraser is the operating of seines. Might I give my opinion on that?

Hon. Mr. McRAE: Are you referring to American or Canadian seines?

Mr. REID: To both Canadian and American seines.

The Department allowed Canadian seines to operate last fall in the month of the Fraser River. They operated in the shallow and brackish water, that is, where the fresh water meets the salt. It was disastrous to our fishermen. In ordinary seasons the fishermen up the river were taking anywhere from 100 to 500 fish a day, that is of the inferior variety called pinks. During the past season when the seines were allowed to operate their catches dropped to 5, 10 and 15 per day. Some varieties of fish, like the spring salmon, they did not get at all. In previous years they were able to pick up spring salmon, which is a higher priced fish and helped out the lower priced, but last fall when seines were allowed to operate to the number of sixty, they practically cut off the fish entirely.

Other countries which have had to deal with seines have found to their loss that when seines and trawls and traps—particularly seines, were being allowed to be used, it not only depleted the fish, but it depleted the spawning beds or the feeding ground of the fish, because in the shallow waters the seine interfered with the breeding grounds. That has been the experience of the Old Country from the information given me.

I should say that if seining was allowed to be carried on, especially in the shallower waters, it would not be long before there were very little fish left.



This is because the fish school before they come up the river to spawn. When they are schooling the seines can spot them by the sea gulls and other birds, and immediately with their high power boats they cut up the schools. In this cutting-up they will easily gather a thousand fish at a time. Some of their catches were as high as 7,000 and 8,000. When the schools are interfered with it takes a little more time for the fish to congregate again before heading up-stream to spawn. That is one of the detrimental effects of seining.

I took the matter up this year with the United States officials to ascertain which was the cheapest method of catching fish, with the trap, the seine or the gill net. Their opinion was that the trap cannot always be considered the cheapest method of fishing. I think many of our men have found that out too, because the trap is costly to construct, and stormy weather in the winter time sometimes washes out the traps. They believed that seines do pick up the fish cheaper. They were not prepared to say whether the fish were of better quality or not. This past year or so the Department has taken the attitude—I use Department in the ministerial sense, not the official—that quality is very desirable, and they maintain the seine picks up a better quality of fish than does the gill net. However, in holding that the greatest good should go to the greatest number, I think the gill net should be encouraged in every way possible. That, I might say, was the finding of the Commission as far back as 1922, when they went out to the British Columbia Coast and investigated the question very fully. They recommended that wherever possible gill nets should be encouraged and seines prohibited.

Here is one argument used by the canners in regard to seines, and it brings in the question of the treaty too. They say, "Well, the Americans have traps across the line." By the way, Mr. Chairman, I should like to show this little map of one section of the Fraser River for the information of the Committee. You will see how close to the boundary the traps come. Our canners say, "If we are going to allow the Americans to catch fish with traps and seines, and allow them to operate in any way they like and in any season, then we should be given the right to go into the adjacent waters with traps and seines to catch fish in competition with the Americans." They point out that, aside from the question of quality—and there may be some argument as to that—with the trap and the seine operating in the vicinity of the international boundary the Americans have been catching about 70 per cent of the total catch of fish. I think that is a fair statement.

The CHAIRMAN: Supposing this treaty went into effect, how would it affect the gill net fishermen?

Mr. REID: I should have to differ a little with Senator Taylor. I regret that I cannot see eye to eye with him.

Hon. Mr. TAYLOR: Go to it, Mr. Reid.

Mr. REID: From the information I have secured regarding the gill net fishermen, I am of opinion that if you allow seines and traps to operate they will completely wipe out the gill net fishermen; but if by any treaty you could bring about any system by way of regulation where the Canadian fishermen, especially on the Fraser River, could be provided with or obtain 50 per cent of the catch, it would certainly be desirable. This would increase their catch from 30 per cent at the present time up to 50 per cent, or a gain of 20 per cent. More fish instead of fewer would be caught by our fishermen.

Hon. Mr. KING: If we did not allow the seines and traps to be operated?

Mr. REID: Yes. If there is to be another treaty discussed, I think the prohibition of seines and traps should be embodied in it.

Hon. Mr. McRAE: Mr. Reid, as I remember, the treaty, while it regulates seines in the United States waters, does not intend to abolish them or the traps either. In other words, there is no interference with whatever contrivances the

American may use to catch fish; that is left to his discretion. The protection we would have is that he is only to take half; we get the other half.

Mr. REID: Yes. We seem to be operating in an entirely opposite way from the United States. They do allow gill nets to operate at the mouth of the Columbia River and they prohibit seining and trapping there. But when it comes up to the international boundary close to Canadian waters, they prohibit the gill nets, even though they can be operated in the shallow waters, but they allow seines and traps. I think that is a very important factor to bear in mind. As I say, we are doing exactly the opposite.

Hon. Mr. KING: That is a recent development on the Columbia River?

Mr. REID: I am not sure. This information I obtained on May 3rd of this year. I think I should read this paragraph from the communication I received:

Northern Puget Sound does not permit gill netting, with few exceptions, because of the nature of the area, hence the fishermen are forced to use a gear which is suitable for that district. The Fraser River permits extensive gill netting as does our Columbia River. We have ruled purse seines out of the latter district and off the coast of Washington within our jurisdiction to prevent the hatching of immature fish.

That point also should be noted. It backs up the statements I made previously, that if you allow the seines to operate it will not only deplete, it will lead to the catching of immature fish, and ultimately will completely ruin the fisheries, especially in the mouth of the Fraser River. My own view would be to entirely curtail, if not abolish, seines from that section.

General McRae brought up the question of state ownership. I think there has been far too much interference with our fishermen. We are perhaps suffering from too much regulations. There have been times, even during the past year, when a higher price was offered for our raw fish across the line than could be obtained on the Canadian side. But our fishermen were prohibited from taking advantage of that better market.

The CHAIRMAN: Could not the raw fish be sold to the highest bidder?

Mr. REID: Not for export. Our fishermen were and still are prohibited from taking sockeye salmon across the line, although during the past four or five years they would have obtained anywhere from 10 to 25 cents more for each fish.

Hon. Mr. KING: Is that a Dominion prohibition?

Mr. REID: Yes.

The CHAIRMAN: How long has that been in force?

Mr. FOUND: Since 1894.

Mr. REID: I do not know, gentlemen, whether I have gone into matters as fully as you would like, but I was not prepared to deal with them exhaustively.

The CHAIRMAN: You are quite clear, Mr. Reid, that if this convention could be arranged it would bring about a great improvement in present conditions?

Mr. REID: I think that would be so, although it seems to me the provisions for our propagating fish in this country should be gone into much more fully and arranged to the better advantage of this country. There are other clauses with which, of course, one might find a little fault; but I still believe—and perhaps in this I differ with Senator Taylor—I still believe the principle could be embodied under which our Canadian fishermen would have 50 per cent of the catch. It would be a great advantage to them.

Hon. Mr. KING: Senator Taylor does not seem to think that that is practicable. It would have to be done by control.

Mr. REID: Our fishermen naturally feel very much incensed that while they are not operating their competitors across the line are still busy.

Hon. Mr. McRAE: That is an argument in favour of the treaty.

Mr. REID: Yes. The argument put up to me by the fishermen was: "Why should we propagate the fish here and have the Americans take seventy per cent of them on their way back?", and in their haste or in their anger or anythink you like, they say: "If there is to be no reciprocity, let us fish and fish and fish and we will soon bring the Americans to time." That is the viewpoint of many of our fishermen.

Hon. Mr. KING: I guess that is what would bring the Americans to their senses.

The CHAIRMAN: It would be destructive to both.

Mr. REID: I am not advocating that; I am merely giving the viewpoint of the fishermen, with whom I am in close contact. Many felt that perhaps allowing the seines to operate was only the thin end of the wedge for a demand for traps. After listening to the depreciated revenues down to 1926, I would suggest that we just double the fees for seines and traps.

Hon. Mr. McRAE: We haven't any traps, except on the south end of Vancouver Island.

Mr. REID: We have one or two operating.

Hon. Mr. McRAE: That would be at the south end of Vancouver Island.

Mr. REID: Yes. If you were to tax a man on his gain, the seiner and the trap man should pay a tax out of all proportion to, or greater than the tax paid by the gill netter.

Hon. Mr. McCORMICK: What do they do with the immature fish that are taken in the trap or the seine?

Mr. REID: I do not know, but my information is that they are destroyed.

Hon. Mr. McCORMICK: The same thing is happening down in the Maritimes, and in the opinion of the fishermen down there it is very destructive.

Mr. REID: Of course there are two sides to the question, as Senator McRae points out. You have the fishermen on the one side and the cannery men on the other. If we could in some way bring them closer together it would be beneficial to the industry. I may say that the policy followed of having either the Minister or his Deputy go out to British Columbia and see the fishermen on the one hand and the cannery men on the other tends to keep the two bodies apart. The view of the fishermen is that the cannery men are out to get control of the fishing; so they view the seines with alarm. Of course, from the cannery man's point of view the seines is a wonderful way of catching the fish. It is mobile and can be moved around, where as the gill net fishing is confined more or less to one area. With a view to the greatest good for the greatest number, I think every encouragement should be given to the gill net matter. The price to one is the same as the price to the other.

I am sorry I had to differ with the senator in regard to the treaty; but one must put on record his views as he sees them.

Hon. Mr. McRAE: Mr. Found, as far as I am concerned personally, I am satisfied, but the Chairman thinks we might clear up the point of the supervision of the Biological Board.

The CHAIRMAN: As to whether it should be independent or under the Department.

Mr. FOUND:—As conditions have been for the last number of years, I am doubtful if it could work more effectively than it does now. It possesses definite advantages that a scientific division does not possess, and the relationship with the Department, and the consultations that take place between the Board and the Department result in a unanimity of thought and action that I think is effective.



Hon. Mr. McRAE: You do not have much control of the expenditures, do you? I notice the expenditures in the last five years have pretty nearly doubled. That is rather striking. It is a pretty heavy expenditure for a biological board.

Mr. FOUND: Our scientific work is much less costly than the scientific work of practically any other country having important fisheries, and after all, it seems to me that the question for consideration is whether the work that is being done is in itself worth while. I wish I had this year's program before me, but I didn't know this was coming up this afternoon.

Hon. Mr. McRAE: Mr. Chairman, Mr. Found touched on a contested point when he said there was some criticism of their investigation of flora and fauna. I suppose that refers to the deep sea.

Mr. FOUND: It refers to all life.

The CHAIRMAN: Vegetable and animal life.

Mr. FOUND: That is it.

Hon. Mr. McRAE: The point I raised yesterday was this. I thought the Biological Board could do a great deal more practical work, and I asked Mr. Found if he would let us know what they were doing in the way of examining lakes and rivers with a view to increasing the fish that come into our rivers and inlets. We have had the situation in regard to the salmon. What other efforts have there been?

Mr. FOUND: By the Biological Board directly there has been practically nothing of that kind done on its own initiative; but wherever we start in to do any stocking, if we have not adequate information as to the conditions that prevail, we have an investigation made by the Biological Board.

Hon. Mr. McRAE: But there is no general survey of our streams and lakes with a view to stocking them with fish.

Mr. FOUND: There has not been what you would call a general survey.

Hon. Mr. McRAE: The effort in that respect has been very weak; it seems to me.

Mr. FOUND: You are speaking now more of the inland waters?

Hon. Mr. McRAE: The waters tributary to the Coast—streams and that sort of thing. It seems to me we have a good many streams that have not been stocked. We could find out why. I have not observed that the Biological Board is doing much of that work.

Mr. FOUND: As far as the commercial fish work is concerned, there is this to be said. The investigation that is going on at Cultus Lake is for the purpose of determining whether or not we should extend or discontinue.

Hon. Mr. McRAE: That is salmon. I am speaking of the streams generally.

Mr. FOUND: All commercial species?

Hon. Mr. McRAE: You are trying it out with the sockeye salmon. That would not imply salmon trout.

Mr. FOUND: That is why I referred to inland waters.

Hon. Mr. McRAE: You have done some work at Cowichan?

Mr. FOUND: Yes.

Hon. Mr. McRAE: It seems to me that is a very meagre amount of work for the Board to have accomplished.

Mr. FOUND: Briefly, the situation is this, so far as the inland waters are concerned. Again it is the difficulty of dual jurisdiction, and the question of how far the Federal Government in developing these fisheries which are administered by, and the revenue from which goes to, the province. It is an unsatisfactory situation. Nevertheless, in British Columbia we have been co-operating

with the provincial authorities and different game associations to quite an extent. The Superintendent of Fish Culture is here, and could give a much more intimate picture of what is being done in that regard than I can.

The CHAIRMAN: Can you point out one or two or three things that have actually been done at these experimental stations that has brought a profit to the canner or the fisherman or someone else, to balance against the cost?

Mr. FOUND: Yes. One thing that I spoke of this morning is what is known in the trade as the "yellowing" of halibut. That results in an enormous loss to the fishing industry of the Pacific Coast each year. When the fish is taken from the water it is white underneath, and under certain conditions, if it comes into contact with certain bacteria, it gets a yellowish tinge which immediately places it in a secondary class from the standpoint of price. Investigations have been carried on which have shown what the cause of that is, and how it can be overcome. It is not so simple to have it applied, because it rests with the individual people themselves. But it has gone to this distance, that one of the big plants in Prince Rupert has established a plant for disinfecting the boats of the fishermen, and they are paying two dollars each time to have their boats disinfected, and a large number of them are going there; and if they take proper precautions at sea, by the use of salt water they can prevent that condition coming about which lowers the price of their product.

Hon. Mr. McRAE: What year was that accomplished?

Mr. FOUND: It has been going on for years, but they have just come to it finally this last year.

The CHAIRMAN: What would be the difference in price?

Mr. FOUND: I heard one of the big dealers in Prince Rupert say that it would be worth over \$100,000 a year.

Another thing that is being developed at that station is a better method of insulating refrigerator cars, so as to carry the fish in good condition.

Hon. Mr. McRAE: That is an unusual procedure for a biological board. Insulation is an engineering problem.

Mr. FOUND: It is the very sort of thing the fishery experimental stations are designed to do.

Hon. Mr. McRAE: I should say that refrigeration could be carried on without the assistance of biologists. I should say that was a bit far afield.

Mr. FOUND: After all, does it not give better results to the fishermen?

Hon. Mr. McRAE: It may be possible to make handy buckets for carrying fish, but that is not something that the Biological Board should do. I have a notion that in Canada there are engineers who know far more about refrigeration than the Biological Board possibly could.

Mr. FOUND: These questions are very intricate. If you freeze a fish properly its intrinsic qualities as a fresh fish are retained. If it is not held at a proper temperature, under proper conditions, it is not in first-class condition when it reaches the market. If we can develop methods which will enable the fish to be brought to the consumer in as fresh a condition as when it is caught, the fishermen will benefit.

Hon. Mr. KING: Your experimental station at Prince Rupert is making a study of these matters as well as of biological conditions?

Mr. FOUND: Yes, sir, the two combined. This is the applied science end.

Hon. Mr. McRAE: I have been reading over this report for the last two or three years, and I would say that the report does not justify the expenditure of \$100,000 or more annually. I think the Board ought to be under the department,

and that its efforts should be directed along practical lines. The Board is partly voluntary and partly paid, is it not?

Mr. FOUND: The Board is a voluntary Board, but the staff is paid.

Hon. Mr. McRAE: I have not noticed any difference in the activities of the Biological Board for the last ten years, but its expenditure has jumped greatly. Is there not a lack of direction over that expenditure? Is the increase not principally due to the fact that there is no supervision? Would there be such a large expenditure if it were done under your direction, for instance, as a Government official having a true appreciation of national economy?

Mr. FOUND: Every year we submit to the Board matters that we consider should be taken up. And of course the Board gives consideration to what it thinks should be taken up. The whole estimate is then submitted to the Minister for approval before anything is done.

The CHAIRMAN: It goes direct to the Minister, does it? After you have submitted your problems and the Board has made its estimate, does the whole matter go direct to the Minister?

Mr. FOUND: Under the law the Biological Board is under the Minister, but the Deputy Minister has to act for the Minister in certain conditions.

Hon. Mr. McRAE: It might be well if Mr. Found would give us a copy of the bill that was introduced a few years ago to put the Biological Board under the department.

Mr. FOUND: That was merely a bill to cancel the existing Act. If the Biological Board Act were rescinded, a scientific division could be established the same as any other division of the department, without legislation.

Hon. Mr. KING: Mr. Found, do Canadian university men go out into the field, during the university vacation periods, and do work for you?

Mr. FOUND: The Board is an administrative board. If its members do any investigations they do them at their own instance, as the Board cannot be paid and the members of the Board are not employed by the Board.

Hon. Mr. McRAE: But the Board provides the facilities for carrying on the investigations.

Mr. FOUND: The Board provides the facilities at Nanaimo and at St. Andrews.

The CHAIRMAN: How many meetings do they hold?

Mr. FOUND: They have an annual meeting every year, but the work is largely done by the Executive. They have a Pacific coast executive and an Atlantic coast executive. The Executive, which consists of a few officers, very largely sees to the carrying out of the things that are decided on at the annual meeting.

The CHAIRMAN: Where is the annual meeting held?

Mr. FOUND: At Ottawa.

Hon. Mr. McRAE: The regular staff, which number about one dozen, are paid, as I take it, and then there are numerous voluntary investigators?

Mr. FOUND: They are not paid.

Hon. Mr. McRAE: But the regular staff are paid?

Mr. FOUND: Yes sir.

The CHAIRMAN: Are they engaged by the executives and brought to the annual meetings?

Mr. FOUND: Such of them as are needed for consultation or for submitting their reports on what has been done, are taken to the annual meeting. I really think that the Board is functioning very well.

Hon. Mr. McRAE: I notice in the annual report of the Biological Board for 1933, at page 60 it is stated:



The activities of the Station were considerably curtailed this year because of limitation of funds. Major Programs have been restricted to what appeared to be a minimum, no new projects have been undertaken, publication has been reduced, instructional work to hatchery officers eliminated, and there has been a considerable reduction in staff, largely non-scientific.

Mr. FOUND: The total appropriations for the Board, in common with other appropriations, have suffered in recent years.

Hon. Mr. McRAE: The point I am trying to make is that, in the absence of practical direction the Board is probably not employing itself in the most practical thing. These are difficult times and I think the Board should largely confine its work to practical matters.

Hon. Mr. SINCLAIR: There was an investigation carried on, as a result of which it was discovered how to overcome the darkening of canned lobster. Was that done by the Biological Board?

Mr. FOUND: Partly by the Biological Board and partly by the Research Council.

Hon. Mr. SINCLAIR: The result of that was very beneficial?

Mr. FOUND: The cause of the blackening was ascertained and how it could be overcome.

The CHAIRMAN: When you say the Research Council, do you mean the international Research Council?

Mr. FOUND: No sir, our own Research Council.

Hon. Mr. SINCLAIR: And that darkening is being overcome?

Mr. FOUND: Almost completely.

Hon. Mr. SINCLAIR: With great benefit to the industry?

Mr. FOUND: Great benefit, yes.

The CHAIRMAN: What action was taken with regard to lobsters?

Mr. FOUND: The action recommended by the investigators as was necessary to prevent the blackening. It was very largely hygienic, though certain elements could be added to the pickle which would be helpful. The result of the investigation has been to place the lobster canning business on the Atlantic coast hygienically on a basis that it was not on heretofore.

Hon. Mr. SINCLAIR: And that has been the means of preventing great losses that were occurring previously to the canners?

Mr. FOUND: Quite so, sir.

Hon. Mr. McRAE: Mr. Chairman, we are particularly anxious to hear what can be done to develop not only our sport fishing but commercial fishing, in the interior rivers and lakes of Canada.

Mr. FOUND: The main difficulty from a Federal standpoint is that the fisheries in all the internal waters are being handled by the respective provinces, so that the Federal Government has not been following the situation there. When it comes to what can be done by development in the way of fish culture, one has to keep in mind the protection as afforded to the fishery as a whole, for one may offset the other and nullify its usefulness.

On the other hand, there is sometimes far too much expected of what can be accomplished in that respect, for instance, if in a certain lake you put in a million young fish, you feel you should be able to have a fishery to that extent. But you have also got to know what that lake will sustain, because after all the food conditions in a lake control its capabilities. We really have done nothing that I can speak of with very much benefit to the Committee. I am afraid, with respect to these inland waters. Since 1898 they have been under the administration of the provinces.

Hon. Mr. McRAE: Generally speaking, what percentage of the lakes are found to be barren?

Mr. FOUND: Excepting in the alkaline areas, not very many.

Hon. Mr. McRAE: Of course, in alkaline lakes you cannot grow fish.

Mr. FOUND: Nothing of very much importance, only low classes of fish. But there are a number of lakes—for instance, Maligne lake in Jasper Park—which the Department found, while fish were not there originally, food was there, and the results of their work have been simply marvellous. That is indicative of what can be done.

Hon. Mr. McRAE: Generally speaking, our lakes outside the alkaline area will support fish?

Mr. FOUND: Yes.

Hon. Mr. McRAE: What success has been attained in ridding lakes of objectionable fish?

Mr. FOUND: I would suggest again, Mr. Chairman, that you get the information from the Director of Fish Culture, Mr. J. A. Rodd. He has made a special study of it and can answer more intelligently than I can.

The CHAIRMAN: We shall be very glad to hear from him.

Hon. Mr. McRAE: Mr. Rodd, with regard to lakes that are barren now—you heard my conversation with Mr. Found—generally those lakes will support fish?

Mr. RODD: Most of these lakes will. Take the lakes throughout the dry belt of British Columbia, in our experience most of those will support fish life. We have met with what we believe is excellent success in stocking those lakes. I have a list of some 18 of them. We knew they were barren before we undertook to stock them. The 18 lakes are only a small proportion of those from which we feel we are going to get equally good results.

Take the Medicine-Maligne Lake system—you are interested in that, Senator. It is a comparatively large body of water. Angling in the park before that was limited; in fact the lakes near the Lodge were poor. On the initiative of the Department a biological survey was undertaken in 1925 and 1926, and in 1927 the first eggs were secured. They were planted in 1928. You know the results. I do not believe the angling there for speckled trout has ever been excelled.

Then Paul lake, near Kamloops.

Hon. Mr. McRAE: That is a popular lake.

Mr. RODD: Yes. That was barren prior to 1909. There are several lakes near there. Fish lake was always a good angling lake. Paul lake, Pinantan lake and Knouff lake were barren. As I say, we stocked Paul lake in 1909; the others almost immediately afterwards. All four lakes now support excellent sport fish. We are what you might call farming those waters. All eggs of the spawning run are collected and distributed in them or in other lakes. As they were outstanding lakes we asked the Biological Board to make a survey some years after we introduced the fish.

Hon. Mr. KING: You patrol the streams and lakes?

Mr. RODD: Yes.

The CHAIRMAN: Have you an agreement with the provinces?

Mr. RODD: No, we just go ahead and do the work. We are seeding those lakes. One lake is getting 150,000 fry a year, and it runs up to as many as 250,000 a year.

Hon. Mr. McRAE: Where do you get those fry?

Mr. RODD: From the collection we make in the respective lakes. We have a small hatchery at Lloyds Creek just north of Kamloops. We make our allotment of 150,000 or 250,000, and we use the balance of the eggs, upwards

of a million annually, for stocking other waters in the provinces, with particular reference to lakes that are barren.

Hon. Mr. McRAE: How long have you been doing that?

Mr. RODD: We opened the station at Lloyds Creek in 1922.

Hon. Mr. McRAE: What results are you getting from the new lakes you speak of?

Mr. RODD: We are getting results, I think, on a par with Medicine-Maligne.

The lakes in the Fernie district we stocked in 1925 with Kamloops fry. In the spring of 1927 trout were taken averaging 24 inches in length; a good number of  $7\frac{1}{4}$  pounds in weight and one fish 13 pounds, 1 ounce, were taken in September, 1927. That is a little over two years after stocking.

The lakes in the Courtenay district of Vancouver Island we have been stocking annually from 1929 to 1933. They were all barren. In 1932 fish averaging 3 pounds in weight and some up to six pounds were taken. These were spawning naturally in 1933, so there should not be any need for further stocking.

Snowshoe Lake was stocked in 1926. Fish up to  $3\frac{1}{4}$  pounds in weight were taken in 1928.

Jewell or Long Lake, near Greenwood, we stocked in 1925. In 1928 fish as heavy as 13 pounds 10 ounces were taken.

Hon. Mr. McRAE: You have not had a later report from that lake?

Mr. RODD: In 1933 one fish of 42 pounds weight was caught.

Hon. Mr. McRAE: Those fish are spawning naturally and perpetuating themselves?

Mr. RODD: In a good many instances they are. In most of these lakes there are suitable areas for spawning. In some we have not located suitable spawning grounds, in which cases it will be an annual stocking proposition.

The CHAIRMAN: Have you had any failures?

Mr. RODD: We have not heard of any in British Columbia.

The CHAIRMAN: Does the Biological Board investigate the food supply in those lakes?

Mr. RODD: They investigated the food supply after success was obtained in Paul Lake, Pinanlan Lake and Knouff Lake.

Hon. Mr. McRAE: That was after stocking.

Mr. RODD: Yes.

Hon. Mr. McRAE: You did not need it then. You had fish in Paul Lake fifteen years ago.

Mr. RODD: It would be that long ago. There was excellent fishing prior to 1922. The object of this survey is to determine the possible annual production of fish of good size in a lake of that kind. There is just so much food, and that food will produce so many trout. They may be taken out as a small number of large trout or a large number of small trout. Up to date our investigator believes, and I think he is right, that a large number of comparatively fan-sized trout is much more attractive than a smaller number of larger trout that the occasional angler may get. We are carrying on that experiment in the three lakes. He is up there now. We believe that those three lakes can be used as a standard for lakes of that class.

The CHAIRMAN: Are the fish multiplying?

Mr. RODD: Yes. In Paul Lake we are planting 200,000 fry, and we are using elsewhere about 800,000 eggs collected there. He estimates, and he is not at all liberal, that \$10,000 a year is spent in that district by anglers from outside.

Hon. Mr. McRAE: It is very heavily fished.



Mr. Rodd: Yes. Counting the eggs and everything else, he estimates there is a return of 2,400 per cent.

These are outstanding examples. You cannot do that with every lake.

Jones Lake, near Hope, is a lake of a different class.

Hon. Mr. McRAE: Jones is an open lake, is it not?

Mr. Rodd: There is a good outlet. I do not know whether salmon have ever ascended to it. I am told they do not. It was barren. In 1924 it received its first allotment of eyed eggs. It was opened to fishing in 1927. The lake was well patronized, and anglers came in from many places. There was heavy fishing, and the fish diminished. There was not the accumulation of food from year to year, and there was a heavy spring run-off which is not conducive to a high production of food.

Hon. Mr. McRAE: There would be a heavy run.

Mr. Rodd: Yes. It quite often carries out the food. The recommendation in regard to that lake was to introduce forage fish; and kokanee have been distributed there.

There is another lake, Premier Lake, which was stocked probably twenty years ago. I think it is as good to-day as it ever was. They have taken fish out of it weighing up to 35 or 40 pounds. It is really amazing the annual amount of food that is produced. There is a comparatively small run-off, and the food has kept ahead of the annual production of trout.

Hon. Mr. McRAE: Could you tell the Committee what would be the cost of the initial installation in the lakes?

Mr. Rodd: I will take Paul Lake.

Hon. Mr. McRAE: That is the most expensive one.

Mr. Rodd: The work at Paul Lake cost us on an average about \$600 a year.

Hon. Mr. McRAE: What did it cost to stock Maligne Lake? You got those fry in Pennsylvania.

Mr. Rodd: There were about 200,000 eggs a year; they ran about one dollar a thousand at that time—a couple of hundred dollars. We fitted up a hatchery at one of the old cabins at Jasper, that cost approximately \$1,300. Then the work was supervised by the fish culture men at, I suppose, an expense of \$150 each season. After that the park officials were able to look after it themselves. Transportation the first year cost probably \$75 or \$100.

Hon. Mr. McRAE: Probably \$500 would cover the stocking of an ordinary lake with fry or eggs.

Mr. Rodd: You mean the first introduction?

Hon. Mr. McRAE: The first introduction, like these lakes you mention.

Mr. Rodd: It does not cost us nearly that much on the average. It would not average that much, because a good many of these lakes are smaller, and the overhead is in proportion to the number of eggs we handle.

Hon. Mr. McRAE: Has there been any effort to introduce the small mouthed black bass from the East?

Mr. Rodd: Yes, sir, unfortunately. Bass were introduced into Christina Lake in south eastern British Columbia, and one or two lakes not far from Victoria.

Hon. Mr. McRAE: With any success?

Mr. Rodd: They are established there.

Hon. Mr. McRAE: You say "unfortunately".

Mr. Rodd: I probably should not have said that. I feel this way: that there are so many game fish of high quality in British Columbia that they do not need black bass. If you would take out the word "unfortunately" it would be better.

Hon. Mr. KING: You are familiar with the work of the Cranbrook Rod & Gun Club?

Mr. RODD: The work they have done is outstanding, in so far as our records are concerned. In 1923 the Cranbrook Rod & Gun Club, with associated organizations, built a small hatchery, and that year it produced approximately half a million eggs of cutthroat trout. In 1933 it produced over two and a half million trout eggs. I have a record of the early operations and the cost to the Department. The Department in the first few years loaned an experienced man and some equipment to them, and now we buy surplus eggs from them. This plant is paying all expenses, and we are buying eggs from it.

Hon. Mr. KING: I know they have done very good work, but could not that be repeated with the assistance of the Department in other sections? It has brought about a very fine spirit among the people of that section; they are all interested in the hatchery.

Mr. RODD: For some years now we have been trying to promote what we call co-operative fish culture. Of course, the Cranbrook example is an outstanding one of what may be accomplished. I think every man in that district is a conservationist. If he lends his ear or gives half a day, or pays a dollar a year, he is going to see that the fish have a fair show. So we have been trying to get other clubs and organizations interested.

In 1933-34 there was the Cranbrook plant, the Kelowna Rod & Gun Club, the Princeton Rod & Gun Club, and the Revelstoke Angling Club.

We offered to give the organizations biological, fish-cultural and engineering advice. Then, after they have built their ponds they look after the ponds and pay all expenses in connection with the operation. We will allot them eggs or fry up to their ability to look after them. Last year the Kelowna people got 75,000 Kamloops trout eggs; Princeton got 3,000 fry, and Revelstoke received 100,000 Kamloops trout eggs. They are also co-operating with the Provincial Game Department. I do not know how far they (the Provincial Game Department) have gone, but we know that they are operating ponds at Stanley Park, Qualicum possibly other places, and this year at Sooke. We are giving them free such eggs and fry as they can handle. They rear these fry, which go into public waters. There may be others, but that is all in regard to which we have definite information.

I may say that work has made further advances in the Maritime Provinces, perhaps, than in British Columbia. The New Brunswick association last year built a fifteen-acre pond, and the Nova Scotia association built ponds which cost about \$8,000, and the latter is ready to double that this year.

That offer is open to all organizations, and they are showing a great deal of interest lately.

Hon. Mr. McRAE: What can be done with the Prairie lakes?

Mr. RODD: With the transfer of the natural resources our hatcheries went to the provinces; but I can give you three or four outstanding examples, and there are many others.

In Southwestern Saskatchewan, in the Cypress Hills district—an alkali district—no trout of any kind had ever been recorded. We stocked the streams flowing into the Cypress Lake with European brown trout, and they have taken hold beyond our fondest expectations. Last year they had trout at Regina weighing nine and a half or ten pounds, taken from waters that had never had a trout in them before they were stocked.

Hon. Mr. McRAE: Is the lake alkali?

Mr. RODD: The streams, the tributaries where we put the fish, are very nice streams, something like you find around here, and in the middle of the lake there is a deeper channel with colder water; but the shallows have been covered with this green paint, as they call it. But notwithstanding the trout have done very

well. You can imagine the excitement it caused in a country where there were no game fish when the first man brought in a fine trout.

In Alberta, in the foothill streams between Calgary and Macleod, they had nothing but cutthroat trout, a few bull trout, and Rocky Mountain whitefish. The cutthroat trout will stay in the cold water. We thought we would try the rainbow trout, which survive in much warmer water, and last year trout were caught out on the prairies where trout had never been seen before. So we have added some hundreds of miles to the fishing streams of the country.

Mr. FORD mentioned the alkaline lakes. The Quill Lakes are producing a good crop of suckers and whitefish, and a few lake herring. A few years ago they shipped a large quantity of suckers from the Quill Lakes.

The CHAIRMAN: Are the whitefish similar to our whitefish?

Mr. RODD: They came from Lake Winnipeg. There is a fairly fresh water stream flowing into the easterly end of Quill Lake, the salinity increases from that point on to Big Quill Lake, and the whitefish have been taken in Big Quill Lake in quite salty water. The water in a good many of the lakes on the Prairies is of pretty poor quality.

The CHAIRMAN: Would the flavour of the fish be the same?

Mr. RODD: The Quill Lake whitefish are excellent, and the suckers also.

Hon. Mr. McRAE: More like salt water fish?

Mr. RODD: They are very firm, and high-class whitefish.

We have stocked a number of lakes that produced nothing at all with the yellow perch, and they have taken very well in the Prairies.

The CHAIRMAN: That is a good useful fish.

Mr. RODD: It is a good fish.

The CHAIRMAN: There is no sport in it, but it is a good fish.

Mr. RODD: In 1931 I was taken to three lakes in this neighbourhood. There was nothing in them. They were stocked that year, and last year three-pound speckled trout were taken, and in one case a five-pound speckled trout. That is one thing we didn't expect to find around there. The lakes are at a high elevation, and the fish from the lower reaches could not come up the outlet streams.

Hon. Mr. McRAE: Have you endeavoured to take the Atlantic salmon to the Pacific Coast?

Mr. RODD: We spent a lot of time on that. I have the details here. The first introduction of Atlantic salmon in British Columbia was in 1905. The numbers were small, and they were spread around a number of streams. From 1922 to 1924 we concentrated all our distribution in the river Cowichan, the distribution amounting to about 450,000 eggs and fry annually. In 1925 to 1928 we continued and increased the allowance up to about 900,000 eggs and fry annually in one watershed. Atlantic salmon were caught in all stages, from the fingerlings of a few months old to fresh-run salmon coming in from the sea, and from Kelt that had spawned and were returning to sea. But the numbers were very small and we could not consider the introduction to be a success. So the department discontinued it. In 1932-33 the Provincial Game Branch felt it would be worth while renewing the effort with eggs from the earliest rivers in Scotland, and at their request and at their expense we secured 100,000 eggs for them. We hatched and reared them until they were a year old, and some 30,000 yearling Atlantic salmon from Scotland were liberated in the Cowichan river this year. They were counted before they were liberated. This is being repeated in 1933-34.

Hon. Mr. McRAE: Would the fact that our water is more salty than the Atlantic have any bearing on the success of that experiment?

Mr. RODD: I do not know. They are being successfully introduced in New Zealand and Australia.



Hon. Mr. McRAE: That has been pretty well proven with respect to oysters, has it not? The oysters have finally got up into the brackish water of the Serpentine, and now they will propagate. That goes to show the other water was too salt.

Mr. RODD: In line with the hope of improving the game fisheries, the European brown trout are now being introduced in the Cowichan river.

Hon. Mr. McRAE: Is that fish as sporting as our native trout?

Mr. RODD: In New Brunswick the department was presented with numerous petitions to introduce the brown trout into lake Lomond, near Saint John. It is a self-contained body of water, and if unsuccessful, they could not do very much harm there. We have introduced them, but the ordinary angler cannot catch them. The expert fly fisherman can go in and get a good catch, but the ordinary angler prefers the speckled trout. So they have erected a pond of about fifteen acres for rearing speckled trout, and the product of that pond is going into Lake Lomond, so there will be brown trout for the expert and speckled trout for the rest of the boys.

The CHAIRMAN: How big is the brown trout?

Mr. RODD: The average is from two to three pounds. But in Saskatchewan they go up to nine or ten pounds. We have introduced them in only a few places.

The CHAIRMAN: What makes them so much harder to catch?

Mr. RODD: They are shyer. Some of the people who have fished them over in Europe have the belief that the brown trout has been fished so keenly and hard for many generations, that all the easy ones have been caught. In other words, it is the survival of the fittest.

The Committee adjourned until to-morrow morning at 9.30 o'clock.

## MINUTES OF EVIDENCE

THE SENATE,

WEDNESDAY, June 6, 1934.

The Special Committee on Sealing and Fishery Interests in Pacific Waters met this day at 9.30 a.m.

Hon. Mr. Horsey in the Chair.

The CHAIRMAN: Mr. Poole, the Committee are desirous of hearing from you in regard to sporting fish, their propagation in various streams and lakes, and the resultant benefit in tourist traffic.

Mr. E. G. POOLE (Fish and Game Representative, Canadian National Railways): Sir, I am connected with the development by the Canadian National Railways of a type of tourist travel interested in fishing, hunting and canoe trips to our unoccupied or isolated territory.

The CHAIRMAN: How long have you been with the Canadian National Railways as Fish and Game Representative?

Mr. POOLE: It will be eleven years by the end of July.

The CHAIRMAN: We are specifically interested in the propagation of sport fish. Have you a statement to give the Committee in this regard?

Mr. POOLE: I have not prepared a statement, sir, because I did not know exactly what you might want. I might say that we have had a unique development of game fish in Jasper Park. You may have seen reports about it.

Hon. Mr. McRAE: I gave the Committee photographs and Mr. Longstaffe's report on Maligne and the other lakes which you handed to me.

Mr. POOLE: Then you are more or less familiar with this development.

To get down to the value of the planting of this type of fish, last year, as you all know, was not a good tourist year. The fishing has been opened up only since 1932. Yet we had in this particular section of Jasper Park last year 452 non-resident fishermen and 141 resident fishermen. There were 4,809 trout caught, of a total weight of 7,421 pounds. This makes approximately an average weight of about  $1\frac{1}{2}$  pounds per trout. You gentlemen who are fishermen know that that is pretty fair fishing. That is the record in spite of it being a very poor tourist year.

Hon. Mr. McRAE: You say, Mr. Poole, that 452 outside tourists came there particularly for fishing?

Mr. POOLE: They went right in there for fishing.

Hon. Mr. KING: Did they come from great distances?

Mr. POOLE: Yes, we have had them from Los Angeles, San Francisco, Alabama, Virginia, New York, Philadelphia—spread pretty well over the United States.

Hon. Mr. McRAE: Have you made a calculation of what those fishermen expended from the time they entered Canada until they left in the way of railway fares, hotels, and so on?

Hon. Mr. McCORMICK: A number of those lakes had no fish until they were seeded.

Mr. POOLE: No, there was no fish life in them whatever. Mr. Rodd can explain that better than I can. As I say, there was no fish life whatever in these lakes. There are two types of non-resident fishermen—what you might

call the honest-to-goodness fisherman who comes in for fishing alone, and the tourist fisherman, whose fishing is only incidental to the trip. I would say that the fisherman who comes in specially to fish spends approximately \$200.

Hon. Mr. McRAE: Would you say that half the number you have mentioned were of that type?

Mr. POOLE: They were all of that type.

The CHAIRMAN: They came specially for the fishing?

Mr. POOLE: There may have been an odd one who played a little golf.

The CHAIRMAN: How far is Medicine Lake from the lodge?

Mr. POOLE: There is a series of lakes. South and east from Jasper twelve miles you strike Medicine Lake. You can go in by motor car. There are four and a half miles of this lake. Then there is the ten mile Horse Trail to Maligne Lake, which is a narrow lake, some eighteen miles long. Then there is the Maligne river between Medicine Lake and Maligne Lake—I would say twelve or thirteen miles of water.

The CHAIRMAN: Do the fishermen camp there or do they go back to the lodge for the night?

Mr. POOLE: There are what we call chalets, mountain camps, both at Medicine Lake and Maligne Lake. These are the main fishing waters. Then apart from that there are the tributary streams that supply very fine fishing.

Hon. Mr. McRAE: That is fly fishing in the streams?

Mr. POOLE: Fly fishing anywhere. They now have a club which gives a gold button to the non-resident fisherman who catches the largest trout on the river during the season. In order to get the button he has to fish in the river with a certain type of tackle; but no one is prevented from fishing there with anything else.

Hon. Mr. McRAE: How many fish did you say were caught last year by non-residents?

Mr. POOLE: 4,809.

Hon. Mr. McCORMICK: Do they regulate the number that can be taken?

Mr. POOLE: Yes, ten fish, not more than twenty pounds a day; and the season's limit is two hundred pounds. That is closely checked by the wardens.

Hon. Mr. McRAE: There is a very interesting deduction to be drawn from Mr. Poole's remarks. He says there were 452 non-resident fishermen, and that they spent an average of \$200 each. That would amount to \$90,400. By figuring it down to fish, we find that 4,809 fish cost an average of \$20 apiece, which makes the sockeye salmon look very cheap indeed. But that is true, as we all know, of any sporting effort.

Hon. Mr. McCORMICK: It is only a few years since they started to stock those lakes?

Mr. POOLE: 1928.

The CHAIRMAN: What is the fishing season?

Mr. POOLE: From the 15th of June to the end of September.

I should like to correct my statement in regard to the \$200. I mentioned the \$200 in general throughout Canada. The fisherman going into Maligne Lake would spend a great deal more than that.

Hon. Mr. McRAE: So that effort brought in one way and another probably over \$100,000 last year.

Hon. Mr. KING: What will be the cost of keeping that lake restocked and in shape for fishing?

Mr. POOLE: I am not in a position to answer that. Mr. Rodd could answer that.



Mr. RODD: That lake does not need any further stocking for quite a number of years.

Hon. Mr. McRAE: You are stocking other lakes from it?

Mr. RODD: We are stocking scores of lakes from Paul Lake. There were three distributions of probably 200,000 fry. Natural spawning is very prolific.

Hon. Mr. McRAE: You gave an estimate yesterday of the cost of this.

Mr. RODD: The hatchery cost \$1,300—that is using the old cabin.

The CHAIRMAN: Are there any other lakes in the province of British Columbia which are seeded?

Mr. POOLE: I have fished in Vancouver Island, which I consider is a wonderful fishing area. I believe that an effort should be made to increase the supply of game fish on Vancouver Island, particularly rainbow trout, or species of the rainbow trout family, like the Kamloops and Steelhead. I think we have got a fairly good supply of salmon. There are streams on the island that make ideal fishing. At the present time I think there is not sufficient fish in those streams,—at least, they could be made better. If we increase the fish we are going to get a big movement of fishermen from the United States side on the Pacific coast. I do not know whether you gentlemen have ever read of the fishing in the Rogue river. Fishermen come from hundreds of miles all over to fish in the Rogue river. But that river does not offer anything like the fishing that we have on the island, where there are ideal waters, free from pollution. I feel that some effort should be made to stock those waters with game trout.

Hon. Mr. KING: You have advertised very extensively the waters north of Vanderhoof on the Canadian National line?

Mr. POOLE: Yes. That is a wonderful section. We get probably our largest rainbow trout there.

Hon. Mr. McRAE: What is the record for those rainbow trout?

Mr. POOLE: It is either twenty-four or twenty-five pounds. The bigger the waters the bigger the fish.

Hon. Mr. KING: These are taken largely from the lakes, are they not?

Mr. POOLE: Lakes and tributary streams. You can have both wading and canoe fishing right through there. It is a wonderful section and it is attracting quite a number of people; in fact, people come out there from the East for the fishing.

Hon. Mr. KING: What season do they go in there?

Mr. POOLE: About the same. Around June 15th is the time they generally come in there and they stay until the 15th or the 30th of September.

The CHAIRMAN: Where is the Rogue river?

Mr. POOLE: Oregon.

The CHAIRMAN: Do they propagate that river? Do they keep stocking it?

Mr. POOLE: I think they do.

Hon. Mr. McRAE: Perhaps Mr. Rodd could give some information on that.

Mr. RODD: I will give the figures with respect to Vancouver Island for 1933. We distributed in the streams from the Cowichan hatchery, brown trout, cutthroat trout, Kamloops trout, Loch Leven trout, rainbow trout and steel-head salmon. And it is there of course that we are making an experiment with the production of brown trout. On the Cowichan river a beginning will be made this year with a biological survey. A biological survey was made on the Nanaimo river two years ago, but that was with the idea of developing the sockeye salmon fishing, whereas this present survey will be with a view to developing game fishing. Our distribution in the province in 1933 was 4,694,000 game fish.

Hon. Mr. McRAE: Perhaps Mr. Rodd can give us some information with regard to the Rogue river.

Mr. RODD: I cannot say anything more than I know it is an excellent sporting river, which attracts a large number of sportsmen.

Hon. Mr. McRAE: It is a stocked river, is it?

Mr. RODD: Yes. In regard to game fish, the Restigouche river in New Brunswick probably brings more money into Canada than any other river does. I do not know the present rentals, but in 1927 the annual rentals which were secured by public auction at Fredericton totalled over \$70,000, I think it was \$70,500.

Hon. Mr. McRAE: Annually?

Mr. RODD: Yes. That goes to the province. Then they have a very thorough warden service. Counting the warden service, the head guardian told me the revenue was at least \$200,000 in addition to the rentals.

Hon. Mr. KING: The club maintains the warden service?

Mr. RODD: The club maintains a very thorough warden service, and in some places a day and night patrol.

Hon. Mr. McRAE: Mr. Poole, your appointment covers all Canada?

Mr. POOLE: Yes sir.

Hon. Mr. McRAE: Can you give the Committee your opinion as to the opportunities with regard to sporting fish in the central and eastern parts of Canada, whether you think the opportunities there are similar to those in the West?

Mr. POOLE: I will give you some of the highlights with regard to our fishing. Nova Scotia, as you probably all know, is all open water. There is quite a movement into Nova Scotia for the early run of salmon in the streams there, and speckled trout, and some deep sea fishing off Sydney, Halifax and St. Margaret's Bay. That is something well worth while developing. Mr. Rodd has told you about the Restigouche river in New Brunswick. I might mention some other excellent streams in that province, such as the Miramichi, the Nepisiquit, the Upsalquitch and the Tobique. Considerable revenue is coming in from those streams. And a similar situation exists in Quebec, along the Gaspé coast and in connection with the streams on the north shore of the St. Lawrence. In addition, in Quebec they have a system of private clubs which lease areas. I have no knowledge of the amount of money that is brought into that province, but it is certainly considerable. You can get some idea of that from the price that the clubs pay for the privilege of fishing and hunting, varying from \$5 to \$10 a square mile, depending on the location. In addition to that the clubs have to maintain wardenship and build their own camps, take care of forest fire protection, and so on. The province does not assist them in any way. In Ontario there is a greater movement of fishermen than in any other province, which is natural, because the province is bordered on the south by the heavily populated States. I would say that Ontario gets as many fishermen as all the other provinces put together. Take the Lake of the Woods section in northwestern Ontario, for example. There has been a gradual movement into this area for the last eighteen or nineteen years. Fishermen have for years been coming up through the Chicago gateway, which is the focal point of an immense population in the Middle West, into Minnesota, Wisconsin and Michigan. But because of the development of splendid highways, the fishing is naturally not as good as it was years ago. Along the shores of the lakes, particularly, there are many fine summer resorts, and with so many people around the fishing is nothing like it used to be. So fishermen have gradually been coming up across the border. In that section there, which is a narrow strip along the international boundary, there are camp owners who have an investment of probably \$250,000 in camps. One camp alone in 1929 handled about 700 non-resident fishermen, and some

fourteen or fifteen smaller camps accommodated numbers varying from 50 to 250 or 300.

The CHAIRMAN: That is in the Lake of the Woods?

Mr. POOLE: Yes sir. They come in there primarily for the muskie fishing, which is entirely different from our trout and salmon.

Of recent years there has been a development of what they call big casting with a light equipment, a 5½-ounce rod, and they cast the lure various distances. It makes a very sporty proposition.

This section in particular is similar to big game hunting—men will go in there for two weeks, and if they get a big fish they are quite satisfied. That is what they are looking for. It has proved quite an attraction and has opened up a considerable development through there.

I do not think there is anything like that lake section on the North American continent. There are thousands of lakes in there, many of which have not yet been fished. It is just a narrow strip along the international boundary. They have gone in so far mainly to the Lake of the Woods and tributary waters. But there is all that country north of that and north of our Transcontinental. I have been into some of that section. It is virgin territory so far as fishing is concerned.

Northern Quebec. There is a splendid area in Lake St. John and west of our Transcontinental line until you strike the mining district. There is good speckled trout fishing all through there. A great number of tourists go in there every year.

Before I leave Ontario, I may say there are wonderful possibilities for the trout fisherman in the Nipigon area from Lake Superior through to the Albany River, two or three hundred miles at the very least, and probably 150 to 200 miles east and west, including the tributary streams to the Nipigon Lake and also to Lake Superior. After you get over the height of land, which is approximately thirty miles north of our Transcontinental line, all those rivers drain into Hudson Bay by way of the Albany and Kenogami Rivers. There is a vast area through there that has barely been fished. We get a few parties every year through that district, and they are increasing.

Hon. Mr. McRAE: That is accessible by airplane.

Mr. POOLE: And by canoes.

Hon. Mr. McRAE: The big fishing is one hundred miles north. I fished in there two years ago.

Mr. POOLE: Yes.

Hon. Mr. McRAE: I flew in.

Mr. POOLE: I would say you are right about getting the better fishing there.

Hon. Mr. McRAE: It is not a country through which you can build roads.

Mr. POOLE: No.

A number of people have the idea that we do not offer the fishing in the Prairie Provinces that we do in Ontario and the East and in Alberta and the West. But that northern section parallels pretty well that mining country, and there are great possibilities in Prince Albert Park and that section. That is part of our prairie area. There are some wonderful lakes up there, and I understand the Federal Department is endeavouring to put in game fish. A little has been done, but I understand they are surveying through there, and no doubt when the time comes they will be putting in game fish. There is no alkali in the waters, nothing to prevent their stocking these waters with game fish. This will make it well worth while for the people across the border, in Nebraska and that section, to come up there by motor car, for it is not very far from the international boundary.



Alberta. I have given you a picture of the Jasper country. The smaller streams and lakes through that section offer, I believe, possibilities of doing exactly the same thing as has been done in Jasper, but it means that a proper survey will have to be made.

Hon. Mr. FOSTER: What about Prince Albert Park?

Mr. POOLE: They are endeavouring to do something at the present time; I think they are making a survey.

Mr. RODD: Before the transfer of the natural resources, when the Federal Government was administering the resources, a biological survey party was for about two seasons in the Prince Albert National Park area. The survey was financed by the department through the Biological Board. One of the recommendations was the introduction of black bass. One shipment went in by plane from the Lake of the Woods district. After the transfer of the natural resources to the Western Provinces, the federal support was, of course, withdrawn, and no one else had money to continue the work. A great deal of information was obtained through the two seasons. Certain recommendations were made for the introduction of other game fish, such as the Kamloops trout and speckled and black bass.

The CHAIRMAN: Was there any fish in those lakes before?

Mr. RODD: There was some salmon trout and pike and white fish, and some of the coarser fish. Really pike was the only game fish except for some salmon trout. Nothing has been done in regard to that survey for two or three years.

Hon. Mr. KING: There has been no planting done since the survey was made?

Mr. RODD: There has been one shipment of black bass. I might mention another section in the opposite direction from the Medicine-Maligne Lakes. In Amethyst Lake we have made three distributions of Kamloops trout, one in 1932, another in 1933, and the third this year. We selected Kamloops trout because the speckled trout is in its best condition during the spring months. The Kamloops trout spawn in the spring and is in its best condition during the summer. We hope visitors to Jasper will be able to get some fishing while the lodge is open.

Hon. Mr. McRAE: Mr. Poole, I take it from what you have said that in any effort to increase the interior fisheries of Canada no province need be neglected?

Mr. POOLE: Yes.

Hon. Mr. McRAE: There are opportunities in all, except Prince Edward Island?

Mr. POOLE: There they have plenty of good speckled trout fishing and rainbow trout.

Hon. Mr. McRAE: Have you rainbow down there?

Mr. RODD: Yes, in Pisquid. Two years after the first introduction three and four pound speckled trout were properly identified. People said they got five pound trout. That gives them some fishing during the summer and autumn. Before we introduced these fish they had no fish whatever because of the close season. Since then we have introduced rainbow trout in one or two lakes. One lake has not been so successful; the others have been.

Hon. Mr. FOSTER: People are becoming more enthusiastic over trout fishing?

Mr. POOLE: Yes, sir. In the United States they have not got any trout fishing, and when you have not got a thing you want it.

I have here some photographs which will probably paint a little clearer picture. (Produces photograph).

The CHARMAN: Mr. Poole, the Committee very much appreciate the information you have given.

*Statement by J. A. Rodd, Director of Fish Culture re Hybridization and Selective Breeding of Speckled Trout.*

The European brown trout has been crossed with Atlantic salmon with a view to developing a game fish of larger size than the brown trout and one that will not return to sea as the Atlantic salmon does.

Brown trout have been crossed with Atlantic salmon at St. John Hatchery and some hybrids are now at that establishment which are seven-eighths brown trout and one-eighth Atlantic salmon. These hybrids are a larger and prettier fish than the brown trout of the same age. The experiment has not yet been carried sufficiently far to determine its success.

Atlantic salmon and landlocked salmon have been crossed at the same establishment. The landlocked salmon are non-migratory but are not as highly regarded for their game qualities as the Atlantic salmon. Several hundred of these hybrids two and one-half years old were marked and liberated in the Chamcook lakes, N.B., in the autumn of 1933.

The selective breeding of speckled trout is carried on at all the hatcheries in the Maritime Provinces where there are facilities for rearing brood trout. Selection and mating is made to develop rapid early growth, early maturity and large egg production and also where desirable to develop spawning early in the season before severe weather sets in. Considerable success has been attained and generally the average yield of eggs per female has been largely increased. At the Antigonish Hatchery the following results were obtained in 1933: Fry hatched from eggs obtained from different groups of parents were held under precisely the same conditions and given the same food. An equal number of fingerlings raised from fry hatched in 1933 all of the same age were weighed. The fingerlings from the hatchery's selected parents weighed  $50\frac{1}{2}$  oz; those from the non-selected hatchery parents (general stock)  $33\frac{1}{2}$  oz; the progeny of the first generation of Lochaber lake trout from the hatchery pond  $19\frac{1}{2}$  oz.; those from the sea trout  $13\frac{1}{2}$  oz. and those hatched from eggs from wild trout taken direct from Lochaber lake  $7\frac{3}{4}$  oz.

The parent or brood trout held in the hatchery ponds at Antigonish and Yarmouth, N.S., Florenceville and St. John, N.B., in 1933 yielded over 9,000,000 eggs.

Speckled trout fingerlings hatched at the Antigonish Hatchery on March 6th, 1933 were 7 in. long in December of the same year. According to investigations made by the Ontario Fisheries Research Laboratory the average size of speckled trout produced in three different types of habitat is 7.5 in. on August 1st of their third year, that is when they are approximately 27 months old.

## SOME OF THE PREVIOUSLY BARREN LAKES IN BRITISH COLUMBIA IN WHICH DEFINITE RESULTS HAVE FOLLOWED THE INTRODUCTION OF GAME FISH

Name and Location	Stocked	Species	Stage	Number	From hatchery at	Remarks
Manistee lake (Fernie District).....	1925	Kamloops....	Fry.....	23,500	Cranbrook.....	Spring 1927 Kamloops averaged 24" long, 7½ lbs. weight—1 fish 13 lbs. 1 oz. taken in September 1927.
Forbidden Plateau lakes, Courtenay, Vancouver Island.	1929 1930	Kamloops Kamloops....	Eggs..... Eggs.....	90,000 200,000	Penask lake.....	10" long and weighing ½ lb. in 1930. Average 3 lbs. in 1932—some up to 6 lbs. in 1933. Spawning naturally 1933.
Snowshoe lake (Trib. to Arrow lake)...	1931 1932 1933 1926	Kamloops.... Kamloops.... Kamloops.... Kamloops....	Eggs..... Eggs..... Eggs..... Eggs.....	200,000 250,000	Penask lake..... Penask lake.....	
Edgewood, B.C. Jewel or Long Lake, near Greenwood.	1925	Kamloops....	Eggs.....	20,000	Nelson.....	Kamloops: up to 3½ lbs. by July 1928 and to 24 lbs. in 1933.
Cahill lake (Slocan, B.C.) .....	1926 32	Kamloops....	Eggs.....	20,000	Gerrard.....	Kamloops 13 lbs. 10 oz. in 1928. 42 lbs. in 1933.
Box lake.....	1926 32	Kamloops....	Fry.....	110,000		15 lbs. dressed 1931.
Cedar lakes.....	1925	Kamloops....	Eggs.....	20,000		4 lbs. in 1932.
White Swan lake (Kootenay District).	1925 1927 1931	Kamloops.... Kamloops.... Kamloops....	Fry..... Eggs..... Eggs.....	10,000 20,000	Cranbrook..... Nelson.....	A success, results good. Favourable showing Kamloops fingerlings fall 1931.
Haskins lake (Kelowna District) ..	1927	Kamloops....	Fry.....	25,000	Gerrard.....	14 lbs. fish taken 4 years after first introduction. 7 lbs. trout fairly numerous.
Kinney lake (Mt. Robson Park) .....	1932	Kamloops....	Eggs.....			Splendid showing of Kamloops fry fall 1932.
Beaver lake (Kelowna District).....	1926 1927	Kamloops.... Kamloops....	Eggs..... Eggs.....	5,000 2,000	Lloyd's Creek.....	In 1929 fish were 4 to 15 lbs. in weight. Large numbers 8 to 10 lbs. taken on fly—largest 18 lbs.—average 3½ lbs. 800-1,000 caught 1932. In 1933, 128,000 eggs taken for Fish Culture purposes.
Horseshoe lake.....	1928	Kamloops....	Fry.....	10,000	Lloyd's Creek.....	
Garibaldi lake.....	1931	Kamloops....	Fry.....	3,000	Fish Lake.....	31 lbs. 1928.
	1933	Kamloops....	Fry.....	218,442	Beaver lake and Penask lake	Up to 9 lbs. fish caught 1933.
	1926	Kamloops....	Fry.....	10,000	Cranbrook.....	Some had spawned naturally.
	1928	Kamloops....	Eggs.....	5,000	Pemberton.....	Source of egg supply for Cranbrook 1925.
	1929	Kamloops....	Eggs.....	12,500	Eggs.....	
	1923	Kamloops....	Fry.....	40,000	Gerrard.....	1930 Rainbow caught over 2 lbs.
Rock lake.....	1926	Rainbow.....		1,460	Banff.....	Lake 1931 teeming with various sized fish.
Lake O'Hara.....	1927	Rainbow.....		12,000	Banff.....	Up to over 2 lbs.
	1928	Rainbow.....		24,000	Banff.....	
	1929	Rainbow.....		25,000	Banff.....	
	1930	Rainbow.....		10,000	Banff.....	
	1931	Rainbow.....		18,000	Banff.....	



SOME OF THE PREVIOUSLY BARREN LAKES IN BRITISH COLUMBIA IN WHICH DEFINITE RESULTS HAVE FOLLOWED THE INTRODUCTION OF GAME FISH—*Concluded*

Name and Location	Stocked	Species	Stage	Number	From hatchery at	Remarks
Lillian lake, near Nelson, B.C.	1929	Rainbow	Eggs	12,500	Nelson	7 lbs. by May, 1932, 2 to 3 lbs. at 1½ years, and source approximately 1,000,000 annually) of eggs for Lloyd's Creek hatchery. Fish collection 1929, 770,000 Kamloops eggs (this is year Lloyd's Creek opened). 6,000 fish taken annually by anglers.
Copper lake on Moyie River, B.C.	1931	Rainbow	Fry	9,000	Nelson	
Paul lake	1925	Caribou	Fry	5,000	Chenier creek	
	1929	Kamloops	Fry			
	1922	Kamloops	Eggs	42,500		Opened to fishing 1927. Lake well patronized and fishery diminished. Kamloops introduced as food.
	1923	Kamloops	Eggs	100,000		
	1925	Kamloops	Eggs	107,000		
	1927	Kamloops	Eggs	100,000		
	1928	Kamloops	Eggs	165,000		
	1929	Kamloops	Fry	200,000		
	1930	Kamloops	Eggs	378,000		
	1931		Fry	188,917		
Jones lake, near Hope, B.C.	1924					

THE SENATE OF CANADA



PROCEEDINGS

OF THE

SPECIAL COMMITTEE

ON

# SEALING AND FISHERIES IN PACIFIC WATERS

No. 6

The Honourable H. H. Horsey, Chairman

Communication from Mr. F. D. Burkholder, Ottawa, a previous witness.

OTTAWA

J. O. PATENAUDE

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1934

## ORDER OF REFERENCE

*Extract from the Minutes of Proceedings of the Senate for the  
22nd March, 1934*

*Ordered*, That a Special Committee of the Senate be appointed to inquire into the results of existing treaties in connection with the administration of Canadian sealing and fishery interests in Pacific waters; with power to call for persons and papers and to take evidence under oath.

### MEMBERS OF THE COMMITTEE

The Honourable Senators: T. J. Bourque, W. E. Foster, H. H. Horsey, J. H. King, E. S. Little, L. Moraud, J. McCormick, A. D. McRae, J. E. Sinclair, C. E. Tanner and J. D. Taylor.



F. D. BURKHOLDER LIMITED

FURS

119 BANK STREET, OTTAWA, CANADA,

June 11, 1934.

The Honourable Members in Committee,  
The Senate,  
Ottawa.

*Re: Sealing and Fisheries in Pacific Waters*

GENTLEMEN,—In the second Committee meeting report on page 50, the Chairman asked of me:—

CHAIRMAN: Do you consider that, in Canada, we have suffered a loss by reason of the skins being processed in the United States rather than in Great Britain?

MR. BURKHOLDER: Unquestionably, sir.

CHAIRMAN: To what extent?

MR. BURKHOLDER: It would be difficult to state to what extent. I imagine it would run into millions of dollars.

In the supplementary letter presented by Mr. W. F. C. Devlin which is embodied in the report, on page 65 the following appears:—

As the Committee is desirous of determining the value to Canada of the operations under this Treaty, we must adhere to facts because by them only can your Committee arrive at a sound conclusion. It is not a fact to say that Canada has lost millions of dollars through its methods of operation under the Treaty. Such a statement is incorrect and extremely unfair to our Department of Fisheries. It is certainly not borne out by any recent market reports—see London Fur Brokers' comments enclosed.

To substantiate my statement, I beg to offer the following. In the last eighteen months the firm I represent has made fifty-one Alaska seal coats valued at \$17,970, and have orders on hand to the value of \$2,525, which represents a total of \$20,495, or a yearly amount of \$13,663. This business, gentlemen, has been obtained during a period of great depression at a time when values were at their lowest, and were we to go back over a period of twenty years, the total amount of available business would be at least \$273,264, for, as I have already stated, the values were at their lowest.

Now to be even more conservative, in fact extremely so, let us state that only half of this amount was obtainable, and we have the sum of \$136,632.

Now when you come to consider that there are three hundred and thirty-one recognized furriers in Canada, not to mention department stores such as Eatons, Simpsons, and The Hudson's Bay Company (who sell thousands of fur coats annually) and many smaller department stores who sell hundreds of fur coats, then again there are the specialty shops that sell a few fur coats in the winter—these I have not included in the list of furriers, neither have I included the wholesale manufacturer who sells at retail whenever he gets the chance.

Now if the firm I represent has been able to make these sales, surely there must be, in at least ten of the larger cities of Canada, at least one furrier that

could have done the same thing, and by taking only one firm in ten cities I am extremely considerate in order that no exaggeration might be applicable to my statement.

Therefore, in the past twenty years, the retail fur trade of Canada has suffered to the extent of \$2,732,640, and to further prove my statement, our firm has accomplished this sale in view of the fact, as stated by one witness on page 62 of the second edition, the last paragraph, which reads as follows:—

Mr. Devlin states:—

Sealskins of the best quality have been off the market for so long that the fashionable demand has only recently begun to be felt.

I claim that, had sealskins of quality been on the market, they would have afforded an opportunity for the business that I have referred to.

Now let us look at the other side of the story. The English dressed and dyed skins were undoubtedly established in the market—our mothers and grandmothers knew them and praised their value—in fact wherever fine furs were worn, ladies knew English dressed and dyed Alaska sealskins to be the best. They were established, they would have continued to be in demand; to-day we have had to re-establish them, particularly among the younger women. Had the English dressed and dyed skins been available in 1919, they would have trebled in value over the inferior article as produced in the U.S.A. A glance at the sales report of any auction company over a period of years will show, that no matter what the price is, if the article is in demand it can be sold regardless of competition or conditions, and according to the demand the price rises or falls. At times seal-skin coats sold for \$1,000, whereas to-day they can be bought for one-third that amount.

So that when I say the English dressed and dyed skins would have trebled in value had they been available, this statement is based on the fluctuation of prices according to the demand. The fact that the American dressed and dyed skins were inferior has already been given in evidence by Mr. Devlin in the second edition, on page 62; there is a paragraph in which Mr. Devlin states:—

Undoubtedly in St. Louis before my memory is very active, perhaps, in the matter of sealskins they had to experiment, as everybody had to do. No doubt they made some mistakes and errors and spoiled some seal-skins.

And as stated in my former evidence, in the second edition, on page 62:—

New York merchants stated that the American product was absolutely unfit for their requirements, and endeavoured to secure the skins in the raw that they might send them to England to be dressed and dyed.

There, gentlemen, is proof of the demand.

Had the Canadian Government placed on the market English dressed and dyed sealskins as was its privilege, it is not hard to assume that at least double the price as paid in St. Louis for the inferior American dressed and dyed skin would have been secured for the English dressed and dyed skin.

To estimate the amount of loss during the early stages of experiment as carried on in the U.S.A. one has only to consider the price Canada received from the sale in 1919 and the loss is plainly \$91,762.64. Not only could Canada have secured double the price, but the sale of the skins could have been established in Canada, and sales commission and wages paid to Canadians instead of to the controlling interests abroad. If this amount were \$5 per skin, including all expenses for the handling and sale of the skins in Canada, it would have meant a revenue to the Canadian people on Canada's share of the skins to date of \$404,750.

Do not let us lose sight of the fact that the cost of dressing and dyeing in the U.S.A. was over \$4 more per skin than the price charged by the English

dressers and dyers. Here you have the sum of \$323,800 excess charges for dressing and dyeing, which was a straight loss to the Canadian Government.

The total, as you see, is mounting up; but I have not as yet reached my final figure:

It was Canada's privilege to have established in Canada—without cost to Canada—a dressing and dyeing plant in the year 1931. Since that time Canada's share of seals amount to approximately 23,011 skins. Had the English carried on the dressing and dyeing in Canada, this would have meant a revenue to Canadian workmen of approximately \$184,088.

So that if we take the loss of retail sales over a period of twenty years amounting to .....	\$2,732,640 00
(and this amount is only half of what it might have been)	

The loss of competitive trade for the year 1919 only (you see I am endeavouring to be as conservative as possible to substantiate my statement) the amount would be ...	91,752 00
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The loss of revenue to Canadians in commission and sales service .....	404,750 00
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The loss by excessive charge for dressing and dyeing over a period of twenty years .....	323,800 00
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The loss in wages had the dressing and dyeing been estab- lished in Canada in the last three years, approximately..	184,000 00
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And, gentlemen, you must consider the excessive charges of  
haulage by rail from Seattle to St. Louis, which natur-  
ally was charged up as "overhead" and affected  
Canada's share of profit, which amount I have not  
attempted to estimate.

Now out of a lot of 255 raw skins, after having same dressed  
and dyed by Rices in London, we had selected for our  
trade 100 of the best skins, and on May 24th, 1934,  
sold the balance of 155 skins through our agents for the  
average price of 47/6—equivalent to \$11.87 at the rate  
of \$5 to the £ sterling. Remember, gentlemen, these 155  
skins were the balance left after the choicest had been  
taken out. Now as we are able to secure \$1,840 for  
the 155 skins of secondary grade, it would be reasonable  
to assume that in 1932 Canada should have received for  
her share of approximately 7,399 skins, at least the  
average price of \$10 per skin after all expenses had  
been paid—in fact it would be quite fair to estimate a  
much higher revenue per skin as all first choice skins  
would be included and not only secondary skins, as was  
the case in the lot of 155 sold by us.

Therefore we arrive at the sum of .....	73,990 00
as per evidence submitted by Mr. Devlin in the second edition, page 62, in which he states as follows:—	

In the first sale in London, I understand that the net  
revenue to the Government was somewhere between \$10  
and \$11 per skin.

But nevertheless, we arrive at the very conservative amount of .....	3,810,932 00
of a loss in Canada, which statement I make in defence of the criticism as published in the letter included in the second copy and signed by Mr. W. F. C. Devlin.	



In bringing these facts to the honourable gentlemen of this Committee, I wish to make it clear that any statement I have made relative to the seals is based on experience and facts, and that I have given my evidence without prejudice whatsoever.

Now I wish to make a further statement. I admit that the cost of sending a competent man to the islands to select the skins, and possibly the cost of salting and packing would have to be considered, but that would be a comparatively small amount to offset the figure I have mentioned. The cost by vessel to England would be slightly different than the charge of shipping from the islands to Seattle by boat, and from Seattle to St. Louis by rail.

I do not make this statement without investigation as to the cost of shipping, and I have learned from Captain G. H. Ritchie, an old Pacific Coast seaman, that a sixty-ton schooner would be ample to carry the cargo from the islands to the port of London, that the amount of \$5,000 would be ample to cover the charges. His estimate was arrived at in the following manner:—

The interest on a sixty-ton schooner valued at \$30,000 would have to be considered.

A crew of six men who are obtainable at the following wages:—

Captain.. . . . .	\$190 00	per month plus 20%
Engineer.. . . . .	150 00	" "
Cook .. . . . .	90 00	" "
2nd Engineer .. . . . .	100 00	" "
Two deck hands .. . . . .	75 00	" "
Total wages per month \$600, or for sixty days....	\$1,200 00	
Oil consumption per day, \$7.40, and for sixty days..	440 00	
Food consumption per day, 70 cents per man,		
for sixty days .....	252 00	

The total cost for a trip of sixty days would be.... \$1,892 00

leaving \$3,108 for canal tolls, insurance and port charges, which would still leave a handsome profit to the owner of the schooner.

It would be unreasonable to expect of men not acquainted with the details of commercial life to foresee the losses which have developed in the operation of the Treaty, and if I may venture to offer a suggestion I would say that it is imperative to have as advisory members to any Committee negotiating commercial ventures such men as are actively engaged and who give fully of their time to whatever branch of industry the problem may concern. I fail to find any record of any member of the fur trade in Canada who acted in this capacity for the Government at the time this Treaty was prepared.

As a retail furrier coming in immediate contact with the ultimate consumer of sealskins, and knowing the possibilities of sales (proof of which I have submitted), I would welcome the continuance of Canada's share of sealskins being dressed and dyed in England the same as I recommended to your Department of Fisheries under date of February 11th, 1931.

I would further recommend that Canada send to the Pribilof Islands a competent man to select Canada's share of the skins in the raw state—not in barrelled lots, but in assorted selections, and that they be shipped in Canadian vessels direct to London.

I am convinced that not only will a better product be obtainable for Canada and the Empire, but that Canada's profit will be a rich reward.

Yours faithfully,

F. D. BURKHOLDER,

P.S.—I also wish to make a correction of date as appears in the second edition of this Committee Meeting Report on page 56. The Fortune Magazine published in Washington, U.S.A., should be dated October, 1930—not 1933.





THE SENATE OF CANADA



PROCEEDINGS

OF THE

SPECIAL COMMITTEE

ON

# SEALING AND FISHERIES IN PACIFIC WATERS

No. 7

The Honourable H. H. Horsey, Chairman

CONTENTS:

FINAL REPORT AND RECOMMENDATIONS  
OF THE COMMITTEE

OTTAWA

J. O. PATENAUDE

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1934



## ORDER OF REFERENCE

*Extract from the Minutes of Proceedings of the Senate for the  
22nd March, 1934*

Ordered, That a Special Committee of the Senate be appointed to inquire into the results of existing treaties in connection with the administration of Canadian sealing and fishery interests in Pacific waters; with power to call for persons and papers and to take evidence under oath.

### MEMBERS OF THE COMMITTEE

The Honourable Senators: T. J. Bourque, W. E. Foster, H. H. Horsey, J. H. King, E. S. Little, L. Moraud, J. McCormick, A. D. McRae, J. E. Sinclair, C. E. Tanner and J. D. Taylor.





# FINAL REPORT AND RECOMMENDATIONS

WEDNESDAY, 20th June, 1934.

The Special Committee appointed to inquire into the existing treaties in connection with the administration of Canadian sealing and fishery interests in Pacific waters, beg leave to present their second Report, as follows:—

In the course of several meetings held by the Committee the following witnesses were heard and examined by the Committee, the names being in alphabetical order and the pages where their evidence may be found being set out after their respective names:—

## WITNESSES:

	PAGE
Burkholder, F. D., of F. D. Burkholder, Ltd., Ottawa.. . . .	47 and 148
Devlin, W. F. C., of R. J. Devlin Co., Ltd., Ottawa.. . . .	60
Found, W. A., Deputy Minister of Fisheries.. . . .	9, 67, 85 and 97
Neill, A. W., M.P.. . . . .	72
Poole, E. G., Fish and Game Representative, Canadian National Railways, Montreal.. . . .	138
Reid, T., M.P.. . . . .	123
Rodd, J. A., Director of Fish Culture, Department of Fisheries.. .	132 and 143
Weeks, F. O., Chief Accountant, Department of Fisheries.. . . .	75

In addition to the evidence of the foregoing the following exhibits were filed:—

1. Annual Fisheries Report, 1932-33.
2. Fisheries Statistics of Canada for 1932.
3. Annual Report of the Biological Board of Canada.
4. Pelagic Sealing Treaty, July 7th, 1911.
5. Pacific Halibut Treaty, 9th May, 1930.
6. Fraser River Sockeye Salmon Treaty, May 26th, 1930.
7. Statement showing the Pribilof Island Seal Herd and operations in connection therewith.
8. Statement of the Fur Seals taken under the Treaty in the North West Coast Catch by natives from 1913 to 1933.
9. Statement of the Pacific Halibut Catch from 1911 to 1933.
10. Statement of the Pack of Sockeye Salmon in the Fraser River area from 1909 to 1933.
11. Copies of a series of letters directed to Dr. F. Thompson, International Fisheries Commission, Seattle, Washington, from fishing interests in British Columbia, Seattle, Washington, Kalama, Washington and Eureka, California, on halibut fishing on the Pacific coast.
12. Statement showing expenditure and revenue *re* fisheries services for British Columbia.

13. United States Department of Commerce publication entitled: "Alaska Fishery and Fur-Seal Industries in 1932," by Ward T. Bower.

14. Letter directed to Dr. Thompson, Director, International Fisheries Commission, Seattle, Wash., from Canadian Halibut Fishing Vessel Owners' Association, Prince Rupert, B.C.

15. Exchange of correspondence showing cost of operation of vessels patrolling in Pacific waters in connection with the Pelagic Sealing Treaty.

## PELAGIC SEALING

1. Dealing with the pelagic treaty first, the Committee, after hearing the evidence of the Deputy Minister of Fisheries and two dealers in seal furs, concluded that this treaty, signed at Washington on July 7th, 1911, by Great Britain, the United States of America, Russia and Japan, had accomplished its chief object, namely, the building up of a large and satisfactory seal herd.

2. Although the herd was on the verge of commercial exhaustion in 1911, this agreement by the elimination of all pelagic sealing by the nationals of the countries a party to it, except the seals taken for food along their shores by natives, brought back the herd to something of its original size.

3. Some evidence of a general character was given regarding the expense of the Canadian patrol of seals on their Northward journey to the Pribilof Islands each spring, and the Committee wonder why this should be necessary on Canada's part, since the treaty itself only mentions specifically the United States of America, Japan, and Russia, the three countries owning the breeding grounds, as parties to maintain such guard or patrol.

4. Regarding the destruction of salmon by the seal herd, although the greater part of the evidence seemed to point to little danger for our salmon fisheries from this cause, the opinion of the Committee is that our Biological Board or Fisheries Department should make further inquiry into this matter by the examination of a much larger number of seal stomachs secured from our own Indians than had formerly been investigated, so as to make certain what amount of salmon, if any, go to make up the diet of seals.

5. Although the co-operative sale of Canada's 15 per cent of the seal skins, along with those of the United States Government, and Japan's, through American channels for a number of years seemed fair and reasonably profitable under the then prevailing conditions, the Committee favour the present method of forwarding the skins to London for processing, and would, if practicable, prefer to see the treaty literally carried out by Canadian agents or authorities securing our allotment of skins on the Pribilof Islands in the first instance instead of at Seattle as at present.

6. The Committee commend this international instrument for what it has accomplished up to date and believe it should, with due consideration and action by our Fisheries Department on the additional suggestions here made, bring about still more satisfactory results in the future.

7. There appears to be no substantial reason why the agreement should not be continued on its present terms, or revised, if need be, on similar lines. The new suggestions made can all be carried out under the present arrangements by our Department of Fisheries.



## HALIBUT TREATY

8. Your Committee, after hearing the evidence on the Pacific halibut fishery, are satisfied that the convention between Canada and the United States of America for the preservation of the halibut fishery of the North Pacific Ocean and Behring Sea, signed at Ottawa on the 9th day of May, 1930, has in the few years of its operation, already given proof of the gradual rehabilitation of this industry.

9. Halibut has become more plentiful as proved by the size of the catches and the shorter time necessary to secure the allotment under the regulations, so that instead of a gradual depletion as before the treaty's enactment, there is now a decided trend in the opposite direction.

10. All the international co-operation from the original International Commission of Investigation in 1917, leading up to the first Treaty of 1924, and then the subsequent more intensive, thorough investigation carried on under the direction of the International Commission, set up by the terms of that treaty, leading up to:—

- (1) Restriction of catches in various areas.
- (2) The abolition of fishing in nursery areas, together with the modification of the closed season, as set up in the present Halibut Treaty of 1930.

is commended by your Committee. In doing so, however, it expresses the hope that our Commissioners on the International Commission should always be men not only of scientific ability and experience, but also strong and active enough physically to carry out all their duties, both afloat and on shore. Personnel in this respect was emphasized as absolutely necessary for the future success of the work of that body.

11. It was shown that a large percentage of the fishermen and dealers in fresh and frozen halibut approved of the work of the Commission, and suggest even that its powers be increased under a revised treaty, so that it may be able to control the fishing vessels engaged in that industry; that the catch may be extended over the entire fishing season to the advantage of the fishermen's market and also benefit the consumer who would secure the product fresher over a longer period. As the voluntary method among the fishermen themselves failed in this purpose, your Committee recommend that the treaty be revised to the extent of granting to the Commission these additional powers.

12. If, and when, this Halibut Treaty comes up for revision, your Committee feel that although strictly outside its aims for the protection and maintenance of the fishing industry itself, the matter of markets for the halibut should be, if possible, included in the deliberations. Sharing the expenses equally for maintenance of the fishery should be followed, the Committee feel, by the sharing of markets also. If all tariffs were removed from halibut catches in both countries, the industry internationally built up scientifically on a fifty-fifty basis, could market the product economically on an equal basis also.

13. Your Committee also feel since the waters of Hecate Strait are Canadian, a revision of the Halibut Treaty should either exclude this area from its terms, or set a fixed and higher percentage of halibut caught in the various areas to Canadians for the privilege granted American fishermen to fish in Canadian waters.

## SOCKEYE SALMON TREATY

14. The Sockeye Salmon Fishery Convention, between Canada and the United States of America, for the protection, preservation and extension of the Sockeye Salmon fishery in the Fraser River system, was signed on the 26th of May, 1930. The Agreement, although concurred in by the Parliament of Canada, has not as yet been accepted by the Senate of the United States. Your Committee regret the delay of four years—caused by the failure of the United States Senate to accept it—as they consider both its object and terms so reasonable and necessary for the industry, they would again recommend that our Government draw the attention of the United States authorities to the uncertainty and loss to this international industry, suffered by both parties, due to the delay on their side of the boundary line.

15. Although the salmon are hatched and reared in Canadian spawning areas, namely the streams and lakes of our Fraser River system, at the age of two years, or thereabouts, it was shown that they leave our river and shores and make for the ocean, where, for two years, little definite is known of their manner of living, but at maturity—or four years of age—in the case of the Sockeye, they return via the Strait of Juan de Fuca and the Gulf of Georgia to our Fraser River system again to spawn and die.

16. On the return journey, however, they pass through United States waters, and so become a harvest for United States fishermen with their traps and seines before they reach our territorial waters, and can be fished by our people. It is a definite problem, therefore, for the two countries if the fishery is to be maintained, protected and extended by joint propagation. Fishery interests of either country, by hostile, greedy, individual action might exhaust it commercially entirely. The Americans, by fishing freely all the time, could largely stop the fish before they reached the Fraser on their return journey, or Canadians, by stopping escapement to the spawning areas, or deliberately destroying them altogether.

17. Under present arrangements, although no such destructive actions are taken, probably partly because of the pending treaty, and reasonable sanity on the part of both people, still grave danger is present, and can only be met by some international agreement to prevent unrestrained competition, which can only lead to the destruction of our greatest fishery asset in the Pacific Ocean.

18. Not only would the Agreement prevent the depletion of the fishery, but the joint efforts to propagate the salmon under its terms would make it both a more profitable and permanent industry for the people of the two countries.

19. Definite evidence was given of a large run in 1930, and the argument drawn from it that the treaty was, therefore, unnecessary, but the runs over a long cycle of years have grown smaller, and serious dangers open to the industry's entire destruction, failing joint action seemed to be a stronger reason for making continued efforts to have the treaty ratified.

20. The salmon fishing interests in general, the evidence showed, looked upon the proposed treaty with favour, especially the 50 per cent portion of the annual catch Canadian interests were allotted by its terms.

21. Some evidence was also given the Committee that in the administration of the present instrument, if adopted, or in any other similar international agreement, consideration should be given to the gill net fishermen of the Fraser River, who are very numerous, to see that their rights and interests were not subordinated to the users of seines, traps and other equipment.

22. Your Committee believe that the Biological Board, although accomplishing much good work under its present organization, and relations with the Fisheries Department, could do still better, and, perhaps, with greater efficiency and economy if more closely associated with the Department, so far as the staff is concerned.

23. Your Committee in two particulars went outside the matters strictly submitted to them for consideration, but they thought without harm in either case. One matter had to do with the propagation of "Sport" fish in our rivers and lakes. After hearing of the great success from efforts already taken in a few streams, they feel that the cultural authorities, both of the provinces and of the Dominion, should co-operate to push ahead with the survey of our inland waters, and the stocking of such lakes and streams as might prove suitable for such experiment.

24. In the other case, some evidence was submitted for sealing vessel owners for compensation because of losses sustained in 1892, when they were turned back at Behring Sea because of the renewal of the *modus vivendi* for two more years, although they claimed they knew nothing of its renewal before they sailed, and had insufficient notice that the arrangement had been renewed.

25. Your Committee merely submit the statements and documents filed under this heading for the consideration of the Government without making any suggestions regarding it.

26. As your Committee only explored the results of the three treaties submitted to them for consideration, and so many outside matters remain to be dealt with, not to mention the whole field of the Atlantic fisheries which were not touched upon at all, your Committee recommend that at the next Session of Parliament, a Standing Committee of the Senate be appointed to review the results on both the Atlantic and Pacific coasts of this valuable basic Canadian industry.

27. Your Committee desire to thank the officials of the Department of Fisheries for their splendid co-operation in all their work, and also thank those gentlemen from outside the service who appeared before them and gave freely of their special knowledge and experience.

All which is respectfully submitted.

H. H. HORSEY,  
*Chairman.*







































